

PROSPECTUS



ABL GROUP ASA

(A public limited company incorporated under the laws of Norway)

Listing of 18,166,667 consideration shares issued in connection with the acquisition of AGR AS

This prospectus (the "**Prospectus**") has been prepared in connection with the listing by ABL Group ASA, a public limited liability company incorporated under the laws of Norway (the "**Company**" and, together with its consolidated subsidiaries, the "**ABL Group**" or "**ABL**" (as the context requires)), on Oslo Børs, a stock exchange being part of Euronext and operated by Oslo Børs ASA (the "**Oslo Stock Exchange**"), of 18,166,667 new shares in the Company, each with a par value of NOK 0.10 (the "**Consideration Shares**") issued in connection with the Company's acquisition of AGR AS ("**AGR**" and, together with its subsidiaries, also referred to as the "**AGR Group**" and, together with the ABL Group, the "**Group**" (as the context requires and otherwise explained herein)) completed on 18 April 2023 (the "**Transaction**").

The Company's existing shares, excluding the Consideration Shares, are, and the Consideration Shares will be, listed on the Oslo Stock Exchange under the ticker code "ABL". Except where the context otherwise requires, references in this Prospectus to "**Shares**" will be deemed to refer to the existing Shares including the Consideration Shares. All of the existing Shares, including the Consideration Shares, are registered in the VPS in book-entry form. The Shares, excluding the Consideration Shares, are issued on ISIN NO0010715394, while the Consideration Shares are issued on a separate ISIN NO0012895202 and will be transferred to the listed ISIN following publication of this Prospectus. All of the issued Shares rank pari passu with one another and each carry one vote.

The distribution of this Prospectus in certain jurisdictions may be restricted by law. Persons in possession of this Prospectus are required to inform themselves about and to observe any such restrictions. Any failure to comply with these regulations may constitute a violation of the securities law of any such jurisdiction See Section 13 "Selling and Transfer Restrictions".

THIS PROSPECTUS SERVES AS A LISTING PROSPECTUS ONLY. THIS PROSPECTUS DOES NOT CONSTITUTE AN OFFER OF, OR INVITATION TO PURCHASE, SUBSCRIBE OR SELL ANY OF THE SECURITIES DESCRIBED HEREIN, AND NO SHARES OR OTHER SECURITIES ARE BEING OFFERED OR SOLD IN ANY JURISDICTION PURSUANT TO THIS PROSPECTUS.

Investing in the Company's Shares involves a high degree of risk. Any prospective investors should read the entire Prospectus and, in particular, consider Section 2 "Risk factors" beginning on page 10 when considering an investment in the Company.

Trading in the Consideration Shares on the Oslo Stock Exchange is expected to commence on or about the date hereof.

The date of this Prospectus is 26 June 2023

IMPORTANT INFORMATION

This Prospectus has been prepared in connection with the listing of the Consideration Shares on the Oslo Stock Exchange.

This Prospectus has been prepared to comply with the Norwegian Securities Trading Act of 29 June 2007 no. 75, as amended (the "**Norwegian Securities Trading Act**") and related secondary legislation, including Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC1, as amended, and as implemented in Norway in accordance with Section 7-1 of the Norwegian Securities Trading Act (the "**EU Prospectus Regulation**"), in addition to ancillary regulation, including without limitations Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing the EU Prospectus Regulation (the "**Commission Delegated Regulation**"). This Prospectus has been prepared solely in the English language.

This Prospectus has been approved by the Financial Supervisory Authority of Norway (Nw.: Finanstilsynet) (the "**Norwegian FSA**"), as competent authority under the EU Prospectus Regulation. The Norwegian FSA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the EU Prospectus Regulation, and such approval should not be considered as an endorsement of the issuer or the quality of the securities that are the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the securities.

For definitions of certain other terms used throughout this Prospectus, see Section 20 "Definitions and glossary".

The information contained herein is current as at the date hereof and is subject to change, completion and amendment without notice. In accordance with Article 23 of the EU Prospectus Regulation, significant new factors, material mistakes or material inaccuracies relating to the information included in this Prospectus, which may affect the assessment of the Shares and which arises or is noted between the time when the Prospectus is approved by the Norwegian FSA and the listing of the Consideration Shares on the Oslo Stock Exchange, will be mentioned in a supplement to this Prospectus without undue delay. Neither the publication nor distribution of this Prospectus, nor the sale of any Share, shall under any circumstances imply that there has been no change in the Group's affairs or that the information herein is correct as at any date subsequent to the date of this Prospectus.

No person is authorised to give information or to make any representation concerning the Group or in connection with the listing of the Consideration Shares other than as contained in this Prospectus. If any information is given or made, it must not be relied upon as having been authorised by the Company, the Group or by any of the affiliates, representatives or advisors of any of the foregoing.

No Shares or any other securities are being offered or sold in any jurisdiction pursuant to this Prospectus. The distribution of this Prospectus in certain jurisdictions may be restricted by law. This Prospectus does not constitute an offer of, or an invitation to purchase, any of the Shares in any jurisdiction in which such offer or sale would be unlawful. Neither this Prospectus nor any advertisement or any other offering material may be distributed or published in any jurisdiction except under circumstances that will result in compliance with applicable laws and regulations. Persons in possession of this Prospectus are required to inform themselves about and to observe any such restrictions. In addition, the Shares are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under applicable securities laws and regulations. Investors should be aware that they may be required to bear the financial risks of an investment for an indefinite period of time. Any failure to comply

with these restrictions may constitute a violation of applicable securities laws. See Section 13 "Selling and transfer restrictions".

A reproduction or distribution of this Prospectus, in whole or in part, and any disclosure of its content is prohibited.

This Prospectus shall be governed by and construed in accordance with Norwegian law. The courts of Norway, with Oslo as legal venue, shall have exclusive jurisdiction to settle any dispute which may arise out of or in connection with this Prospectus.

In making an investment decision, prospective investors must rely on their own examination, and analysis of, and enquiry into the Group, including the merits and risks involved. None of the Company, the Group or any of its representatives or advisers, is making any representation to any purchaser of Shares regarding the legality of an investment in the Shares by such purchaser under the laws applicable to the purchaser. Each investor should consult with his or her own advisors as to the legal, tax, business, financial and related aspects of a purchase of the Shares.

All Sections of the Prospectus should be read in context with the information included in Section 4 "General Information".

INFORMATION TO DISTRIBUTORS

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("**MiFID II**"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "**MiFID II Product Governance Requirements**"), and disclaiming all and any liability, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Shares have been subject to a product approval process, which has determined that they each are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "**Target Market Assessment**"). Notwithstanding the Target Market Assessment, distributors should note that: the price of the Shares may decline and investors could lose all or part of their investment; the Shares offer no guaranteed income and no capital protection; and an investment in the Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. Conversely, an investment in the Shares is not compatible with investors looking for full capital protection or full repayment of the amount invested or having no risk tolerance, or investors requiring a fully guaranteed income or fully predictable return profile.

The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Shares.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Shares.

Each distributor is responsible for undertaking its own Target Market Assessment in respect of the Shares and determining appropriate distribution channels.

ENFORCEMENT OF CIVIL LIABILITIES

The Company is a public limited company incorporated under the laws of Norway. As a result, the rights of holders of the Company's Shares will be governed by Norwegian law and the Company's articles of association (the "**Articles of Association**"). The rights of shareholders under Norwegian law may differ from the rights of shareholders of companies incorporated in other jurisdictions.

The Company's directors and the Group's executive officers are not residents of the United States, and a substantial portion of the Company's assets are located outside the United States. As a result, it may be difficult for investors in the United States to effect service of process on the Company or its directors or the Group's executive officers in the United States or to enforce in the United States judgments obtained in U.S. courts against the Company or those persons based on the civil liability provisions of the federal securities laws of the United States or other laws of the United States or any state thereof. Uncertainty exists as to whether courts in Norway will enforce judgments obtained in other jurisdictions, including the United States, against the Company or its directors or the Group's officers under the securities laws of those jurisdictions or entertain actions in Norway against the Company or its directors or officers under the securities laws of other jurisdictions. The United States and Norway do not currently have a treaty providing for reciprocal recognition and enforcement of judgements (other than arbitral awards) in civil and commercial matters. In addition, awards of punitive damages in actions brought in the United States or elsewhere may not be enforceable in Norway. Similar limitations may also apply in any other jurisdictions than the United States.

AVAILABLE INFORMATION

The Company has agreed that, for so long as any of the Offer Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act, it will during any period in which it is neither subject to Sections 13 or 15(d) of the U.S. Securities Exchange Act of 1934, as amended (the "U.S. Exchange Act"), nor exempt from reporting pursuant to Rule 12g3-2(b) under the U.S. Exchange Act, provide to any holder or beneficial owners of Shares, or to any prospective purchaser designated by any such registered holder, upon the request of such holder, beneficial owner or prospective owner, the information required to be delivered pursuant to Rule 144A(d)(4) of the U.S. Securities Act.

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1. SUMMARY

Introduction

Warnings	<p>This summary should be read as an introduction to the Prospectus. Any decision to invest in the securities should be based on a consideration of the Prospectus by the investor. An investment in the Company's Shares involves inherent risk and the investor could lose all or part of its invested capital.</p> <p>Where a claim relating to the information in this Prospectus is brought before a court, the plaintiff investor might, under national law, have to bear the costs of translating the Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent, when read together with the other parts of the Prospectus, or where it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such securities.</p>
The securities	<p>The Company has one class of shares in issue. The Shares are registered in book-entry form with the VPS. The Shares, excluding the Consideration Shares, are issued on ISIN NO0010715394, while the Consideration Shares are issued on a separate ISIN NO0012895202 and will be transferred to the listed ISIN following publication of this Prospectus.</p>
The issuer	<p>The Company's registration number in the Norwegian Register of Business Enterprises (Nw. Foretaksregisteret) is 913 757 424 and its LEI is 5967007LIEEXZXH86O96. The Company's registered office is located at Haakon VII's gate 6, 0161 Oslo, Norway, and the Company's main telephone number at that address is +47 414 33 560. The Group's website can be found at https://abl-group.com/.</p>
Offeror	<p>Not applicable.</p>
Competent authority	<p>The Financial Supervisory Authority of Norway (Nw.: Finanstilsynet), with registration number 840 747 972 and registered address at Revierstredet 3, 0151 Oslo, Norway, and telephone number +47 22 93 98 00 has reviewed and, on 26 June 2023, approved this Prospectus</p>

Key information on the issuer

Who is the issuer?

Corporate information	<p>ABL Group ASA, is a public limited liability company organized and existing under the laws of Norway pursuant to the Norwegian Public Limited Liability Companies Act of 13 June 1997 no. 45 (the "Norwegian Public Limited Companies Act"). The Company was incorporated in Norway on 2 June 2014, and the Company's registration number in the Norwegian Register of Business Enterprises is 913 757 424 and its LEI is 5967007LIEEXZXH86O96.</p>
Principal activities	<p>ABL Group ASA is a global independent energy and marine consultancy firm offering independent consultancy services to the offshore energy (oil & gas and renewables), shipping and insurance industries in 39 countries all over the world.</p>

The Company operates within 3 main market segments: (i) Oil & Gas; (ii) Renewables; and (iii) Maritime.

Within the Oil & Gas market, ABL Group provides specialised offshore, marine, well and engineering consultancy services, focusing on the shallow and deep-water offshore segments of the oil and gas industry. Its multi-disciplinary engineering and marine teams are recognized in the industry for their competence and experience. The employees work closely with clients to understand their requirements, identify solutions and to execute their projects and marine operations in a timely, cost effective and safe manner. The client base consists of primarily of offshore asset owners, oil companies, EPC contractors, financial institutions, insurance companies and investors.

Within the Renewables market, ABL Group provides independent services to the offshore renewables industry. Through the brands ABL, OWC, Innosea, AGR and Longitude, the Company is a well-recognised service provider of consultancy services for offshore wind and other offshore renewable projects. The Company's core team possess strong industry expertise which dates back to the first offshore wind farm development project in the UK. Since then, the Company has been involved in the majority of the major

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offshore wind projects which have been developed in the UK and the rest of Europe. The client base consists primarily of offshore wind farm developers, utilities, vessel owners, financial institutions, insurance companies and investors.

Within the Maritime market, ABL Group provides investigation, evidence gathering and analytical services for insurers, P&I clubs and ship-owners, through a global network of surveyors and specialist consultants. Key to this is their ability to respond quickly to enable the prompt settlement of valid claims.

The Group has established a presence in most major marine and offshore energy centres. The global presence allows the business to respond quickly when high-end marine or engineering consultancy is required. Although some of the offices have special focus on certain areas of operations, all service offerings are provided to the oil and gas market and insurance companies across all regions and for renewables to selected regions.

Major shareholders

Shareholders owning 5% or more of the Shares have an interest in the Company's share capital which is notifiable pursuant to the Norwegian Securities Trading Act. As of the date of this Prospectus, four shareholders own more than 5% of the issued Shares:

#	Shareholder name	Number of Shares	Percentage (%)
1	Gross Management AS	14,890,351	12.1
2	Holmen Spesialfond	10,450,000	8.5
3	DNB Bank ASA	7,637,835	6.2
4	Bjørn Stray	6,217,743	5.1

Key managing directors

The Company's executive management comprise of the following members:

Name	Position	Served since
Reuben Segal	Chief Executive Officer	2022
Stuart Jackson	Chief Financial Officer	2023
Bader Diab	Chief Operating Officer	2022
Svein Staalen	General Counsel	2020
RV Ahilan	Chief Energy Transition Officer	2021
Will Cleverly	Chief Executive Officer, OWC	2022

Statutory auditor The Company's auditor is PricewaterhouseCoopers AS ("**PwC**"), with business registration number 987 009 713 in the Norwegian Register of Business Enterprises and registered address at Dronning Eufemias gate 71, 0194 Oslo, Norway.

What is the key financial information regarding the issuer?

Selected key historical financial information for the Company

The following tables present key historical financial information for the Company. It should be noted that the Company changed name to ABL Group ASA in 2022 (previously named AqualisBraemar LOC ASA).

Consolidated Statement of Profit or Loss

Amounts in USD thousands	Year ended 31 December	
	2021 Audited ^(a)	2022 Audited ^(a)
Total revenues	150,748	167,897
Operating profit (loss)	7,375	12,514
Profit (loss) before income tax	6,184	10,654
Profit (loss) after tax	3,218	3,218

(a) Extracted from the Company's Financial Statements

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Consolidated Statement of Financial Position

<i>Amounts in USD thousands</i>	As at 31 December	
	2021 Audited ^(a)	2022 Audited ^(a)
Total assets	115,090	126,928
Total equity	66,865	68,427
Total liabilities	48,225	58,501
Total equity and liabilities	115,090	126,928

(a) Extracted from the Company's Financial Statements

Consolidated Statement of Cash Flow

<i>Amounts in USD thousands</i>	Year ended 31 December	
	2021 Audited ^(a)	2022 Audited ^(b)
Cash flow from (used in) operating activities	293	19,285
Cash flow from (used in) investing activities	(1,035)	(2,364)
Cash flow from (used in) financing activities	(9,677)	(4,939)

(a) Extracted from the Company's Financial Statements

(b) Extracted from the Company's Interim Financial Statements

Selected key pro forma financial information for the Group

The table below sets out the unaudited pro forma condensed statement of income for the Group for the year ended 31 December 2022 and should be read in conjunction with the accompanying notes in Section 7 "Unaudited pro forma condensed financial information" of this Prospectus.

<i>Amounts in USD thousands</i>	ABL Group ASA Audited ^(a)	AGR AS Unaudited	Add Energy AS (H1'22) Unaudited	IFRS reclass.	Pro forma adjustments Unaudited	Pro forma Unaudited
Total revenues	167,897	80,004	11,303	-	-	259,204
Operating profit (loss)	12,514	4,733	(1,945)	(250)	(1,339)	13,714
Profit (loss) before income tax	10,654	2,670	(3,783)	-	498	10,039
Profit (loss) after tax	6,253	2,408	(3,783)	-	300	5,178

What are the key risks that are specific to the issuer?

- | | |
|-----------------------|---|
| Material risk factors | <ul style="list-style-type: none"> • The demand for the Group's services are especially sensitive to fluctuations in the market, due to their project-based character. This risk is amplified due to the cyclical nature of the industries to which the Group provides services, such as the oil and gas industry. • The Group's acquisition of the AGR Group represents a risk for the Group with regards to undiscovered and/or unknown liabilities and other exposures. The Company's protection against such liabilities is limited. • The Group operates internationally, which makes it especially vulnerable to political and governmental changes and changes in the legal environment in several countries and jurisdictions. Operating in 39 jurisdictions, the Group must pay continuously high attention to such changes. • The Group's core business is inherently a high-risk industry, exposing the Group to severe and fatal accidents and omissions, which potentially may not be adequately covered by the Group's insurances. Such accidents may also affect the Group's ability to attract and retain qualified personnel and clients, damage the Group's reputation, and consequently severely adversely affect the Group's financial condition. • As the Group's core business is highly dependent on the overall level of activity and capital spending by oil and gas and offshore companies (which is inherently fluctuating and outside the Group's control), the Group needs to pay particular attention to both its short term and long-term liquidity need. |
|-----------------------|---|

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- The Group's services are mainly project based, and it has few long-term commitments. Moreover, the long-term commitments that the Group has can be terminated on a relatively short notice. Hence, the Group is dependent on continuously winning and retaining business. Furthermore, the Group's contract structure implies that there is limited visibility for the Group's future revenue.
- The current market for attracting highly qualified engineers and mariners is challenging. Due to the shortage of skilled and qualified staff, the Group may not be able to identify and attract, nor retain, qualified staff in the future.
- The Group depends on the performance of business partners and third-party subcontractors in order to perform services in compliance with the contractual requirements, which makes it vulnerable to damage caused by such business partners and third-party subcontractors, and to their failure to deliver their services according to the negotiated terms.

Key information on the securities

What are the main features of the securities?

Type, class and ISIN All the existing Shares are, and the Consideration Shares will be, common shares in the Company and have been created under the Norwegian Public Limited Companies Act. The Shares are registered in book-entry form with the VPS. The Shares, excluding the Consideration Shares, are issued on ISIN NO0010715394, while the Consideration Shares are issued on a separate ISIN NO0012895202 and will be transferred to the listed ISIN following publication of this Prospectus.

Currency, par value and number of securities The Shares will be traded in NOK. As at the date of this Prospectus, the Company's share capital, including the completed share capital increase in relation to the issue of the Consideration Shares, is NOK 12,293,652.90 divided into 122,936,529 Shares, each with a nominal value of NOK 0.10.

Rights attached to the securities The Company has one class of shares in issue, and in accordance with the Norwegian Public Limited Companies Act, all shares in that class provide equal rights in the Company. Each of the Shares carries one vote.

Transfer restrictions The Shares are freely transferable. The Articles of Association do not provide for any restrictions on the transfer of Shares, or a right of first refusal for the Shares. Share transfers are not subject to approval by the Board of Directors.

Dividend and dividend policy The table below shows the amount of dividend distributed per Share in 2021, 2022 and as at the date of this Prospectus in 2023.

NOK	2023 (as at the date of this Prospectus)	2022	2021
Amount of dividend per Share	NOK 0.35	NOK 0.60	NOK 0.50

Where will the securities be traded?

The Company's existing Shares are, and the Consideration Shares will be, traded on Oslo Børs.

Key information on the admission to trading on a regulated market

Under which conditions and timetable can I invest in the security?

Admission to trading The Shares, excluding the Consideration Shares, are listed on Oslo Børs under ISIN NO0010715394 and ticker code "ABL". Trading in the Consideration Shares is subject to publication of the Prospectus and transfer of those shares to the Company's ordinary ISIN, expected to commence on or about the date hereof.

Why is the Prospectus being produced?

Reasons for the offer/admission to trading The Prospectus has been prepared in order to facilitate the listing of the Consideration Shares on Oslo Børs.

Conflicts of interest There are no material conflicts of interest pertaining to the listing of the Consideration Shares.

2. RISK FACTORS

An investment in the Shares involves inherent risk. Before making an investment decision with respect to the Shares, investors should carefully consider the risk factors and all information contained in this Prospectus, including the Financial Statements and related notes. The risks and uncertainties described in this Section 2 "Risk factors" are the principal known risks and uncertainties faced by the Company as of the date hereof that the Company believes are the material risks relevant to an investment in the Shares. An investment in the Shares is suitable only for investors who understand the risks associated with this type of investment and who can afford to lose all or part of their investment.

The risk factors included in this Section 2 "Risk factors" are presented in a limited number of categories, where each risk factor is placed in the most appropriate category based on the nature of the risk it represents. Within each category, the risk factors deemed most material for the Group, taken into account their potential negative effect for the Company and its subsidiaries and the probability of their occurrence, are set out first. This does not mean that the remaining risk factors are ranked in order of their materiality or comprehensibility, nor based on a probability of their occurrence. The absence of negative past experience associated with a given risk factor does not mean that the risks and uncertainties described herein should not be considered prior to making an investment decision in respect of the Shares.

If any of the following risks were to materialize, individually or together with other circumstances, they could have a material and adverse effect on the Company and/or its business, results of operations, cash flows, financial condition and/or prospects, which may cause a decline in the value and trading price of the Shares, resulting in the loss of all or part of an investment in the same. Additional factors of which the Company is currently unaware, or which it currently deems not to be risks, may also have corresponding negative effects.

2.1 Risks related to the business of the Group

2.1.1 Dependence on the level of demand from oil and gas and offshore companies

The Group's operations will over time depend on the level of activity and capital spending by oil & gas and offshore companies, which in turn could cause the Group's revenues and margins to decline and limit its future growth prospects. The demand for the Group's services is affected by declines in maritime and offshore activity associated with depressed oil and natural gas prices. The demand for offshore exploration, development and production has been closely linked to the price of oil and gas. Even the perceived risk of a decline in the oil or natural gas prices often causes exploration and production companies to reduce their spending. Historically, oil and natural gas prices have been very volatile depending on a range of factors outside the Group's control, including but not limited to:

- worldwide demand for natural gas and oil;
- the cost of exploring for, developing, producing, transporting and distributing oil and gas;
- expectations regarding future energy prices – for both oil and gas and other sources of energy;
- the ability of Organization of Petroleum Exporting Countries ("OPEC") to set and maintain production and impact pricing;
- level of world-wide production;
- government laws and regulations, including environmental protection laws and regulations;
- the development of exploitation of alternative fuels, and the competitive, social and political position of oil and gas a source of energy compared with other energy sources;

- local and international political, economic and weather conditions;
- political and military conflicts; and
- the development and exploitation of alternative energy sources.

There is a risk associated with a possible long-term drop in the oil price, affecting the profitability of the development of new offshore fields. Any prolonged periods of reduced capital expenditures by oil and gas and offshore companies would likely reduce the demand for the services offered by the Group, which could have a material adverse effect on the Group's business, revenue, profit and financial condition. Furthermore, the Group is also heavily involved in day-to-day offshore operations which provide recurring day to day income. Generally, as overall conditions in the oil and gas and offshore industries deteriorate, demand for the services offered by the Group may decrease.

2.1.2 Economic downturns

The marine and energy industries are exposed to the general global economic activity. A worldwide economic downturn could reduce the availability of credit to fund industry business operations globally. This could again lower the demand for the Group's services and lead to an austerity approach from the oil and gas and offshore renewable companies. As the Group's services are mainly short term commitments, the Group is more exposed to market fluctuations than companies with long term commitments. Furthermore, a sustained or deep recession could further limit economic activity and thus result in an additional decrease in energy consumption, which in turn could cause the Group's revenues and margins to decline and limit its future growth prospects.

Economic downturns may result in customers delaying, limiting or cancelling proposed and existing projects. The Group may also experience difficulties in maintaining favourable pricing and payment terms, in addition to delayed payment by customers of the Group's invoices and disputes in relation thereto. Any inability to collect invoices in a timely manner may lead to an increase in the Group's accounts receivables and to increased write-offs of uncollectible invoices.

A result of decreased demand for the type of services the Group provides, service providers are competing more heavily to provide their services to the same customers, which may add further pressure on growth and prices. All of the above risk factors may have a material adverse effect on the Group's business, revenue, profit and financial condition.

2.1.3 Competitive industry

The global marine and energy consultancy market is highly competitive, which may limit the Group's ability to maintain or increase its market share. The Group competes with several smaller companies which may be capable of performing more effectively on a regional or local basis. These smaller competitors may be able to better withstand economic and/or industry downturns and compete on the basis of price, all of which could affect the Group's position in the market which, in turn, could lead to reduction in revenues and profit margins.

2.1.4 The Group depends on the performance of business partners and third-party subcontractors

In relation to a significant part of its customer contracts, the Group is reliant on business partners and third-party subcontractors in order to perform its services in a correct and timely manner. To the extent that the Group cannot engage business partners or subcontractors at reasonable costs, or if the amount that the Group is required to pay exceeds its estimates, its ability to complete a project in a timely fashion, or at a profit, may be impaired. In addition, if a business partner or a subcontractor is unable to deliver its services according to the negotiated terms for any reason, including the deterioration of its financial condition, the Group may be required to buy the services from another source at a higher price.

Furthermore, a business partner or a subcontractor could cause damage, for which the Group could be held liable by its customer or a third party, with limited right or possibility for the Group to claim recourse from such business partner or subcontractor.

Each of these factors may have a material adverse effect on the Group's business, revenue, financial condition and reputation in the market.

2.1.5 Risk related to performance failure on projects

The Group usually commits to its customers that it will complete projects by a scheduled date and that a project, when completed, will achieve specified performance standards. If the project is not completed by the scheduled date or the Group fails to meet required performance standards or to (duly) perform other contractual obligations, the Group may be liable to pay compensation or damages for breach of contract, incur significant additional costs or incur a loss or penalties (as a result of, for example, civil liability), and payment of the Group's invoices may be delayed. Performance on projects can also be affected by a number of factors beyond the Group's control, including unavoidable delays from governmental inaction, public opposition, inability to obtain financing, weather conditions, unavailability of materials, changes in the project scope of services requested by its customers, industrial accidents, environmental hazards, labour disruptions and other factors. In some cases, the Group may also be subject to agreed-upon financial damages if it fails to meet performance standards.

The Group generally enters into contracts where under their potential liability towards customers for errors and damage is limited, and whereby the Group's insurance coverage is aligned with the risk profile under such contracts. However, for some projects, either because it is not deemed commercially possible or for other reasons, agreed limitations on the Group's liability is not obtained, and the liability under such contracts therefore has the potential of becoming extensive and disproportionate, in addition to significantly exceed the Group's insurance coverage. Furthermore, agreed limitations on the Group's liability are generally not applicable and insurance coverage is limited, in case errors or damage is caused by gross negligence or wilful misconduct (*Nw: grov uaktsomhet eller forsett*). If a customer should succeed with a claim towards the Group based on such assumption, then the potential liability of the Group may become equally extensive and disproportionate.

The Group also regularly enters into contracts with international customers whereby the contracts are governed by local law and where under local courts or arbitration tribunals are agreed to have jurisdiction. Although, the Group may seek legal advice for such contracts to assess the risk profile, there is an inherent risk that legal concepts or liability regimes which the Group generally is comfortable with, may have different content or be applied differently under such local laws and in such jurisdictions. This implies that the risk profile under such contracts may differ from what is expected or catered for, and that potential liability can be significantly higher than for example under contracts entered into in the Norwegian market.

The above risk factors may have material adverse effect on the Group's business, revenue, financial condition and market reputation.

2.1.6 Political, regulatory and compliance risk

The Group operates in several jurisdictions with a challenging and ever-developing political and regulatory climate. The Group must pay high attention to changes in the political, legislative, fiscal and/or regulatory framework governing the activities of the Group, the oil and gas companies, oil service companies, offshore companies, construction yards and/or important suppliers or service providers on which the Group depends. Changes and developments in the political or regulatory landscape could have a material adverse impact on the Group's business, the markets in which it operates, and its financial condition.

The oil and gas industry is regularly on the geopolitical agenda, and is especially exposed to both political and regulatory changes and developments. Such changes and developments may have a material adverse effect on the Group's business, revenue, profit and financial condition.

The Group is subject to laws and regulations in several jurisdictions relating to areas such as, but not limited to, environment, health and safety, construction, procurement, administrative, accounting, corporate governance, market disclosure, tax, employment and data protection. Such laws and regulations may be subject to change and interpretation. It may not be possible for the Group to detect or prevent every violation in every jurisdiction where the Group carries out its business operations, or in which its employees, hired-in personnel, sub-contractors or joint venture partners are located. Failure to comply with laws and regulations and changes in laws and regulations may have a material adverse effect on the Group's business, revenue, profit and financial condition.

2.1.7 Risk related to misconduct and other non-compliance

By way of its operations in 39 separate jurisdictions, each of which with separate local laws and regulations, the Group is particularly exposed to risks related to non-compliance or misconduct. Such non-compliance or misconduct could include, but is not limited to, failure to comply with government procurement regulations, competition laws and regulations, regulations regarding the protection of classified information, regulations prohibiting bribery and other foreign corrupt practices, regulations regarding the pricing of labour and other costs in government contracts, regulations on lobbying or similar activities, regulations pertaining to the internal controls over financial reporting, environmental laws and any other applicable laws or regulations.

The Group's internal controls are subject to inherent limitations, including that they do not fully eliminate the risk of human error or intentional misconduct from employees or other individuals involved in the Group's operations. It is also possible that these controls could be intentionally circumvented or become inadequate because of changed conditions. As a result, the Group cannot ensure that its controls will protect it from reckless or criminal acts committed by its employees, hired-in personnel, agents, subcontractors, partners, and others. Failure to comply with applicable laws or regulations or acts of misconduct could subject the Group to fines and penalties and suspension or exclusion from tender competitions or liability under ongoing contracts, any or all of which could harm the Group's business and reputation, subject the Group to administrative, criminal and civil enforcement actions and materially adversely affect its revenue, profit, financial condition and market reputation.

2.1.8 Continued access to qualified personnel and resources

The Group's business and prospects depend to a significant extent on the continued services of its key personnel in its various business areas, and at the same time the Group's ability to attract highly qualified engineers and mariners. Hence, the Group is dependent on both its ability to retain and attract key personnel. The loss of any of the current members of its senior management or other key personnel or the inability to retain a sufficient number of qualified employees could adversely affect its business and results of operations as the Group is dependent on the support of current key personnel to ensure the successful integration of new personnel into existing operations. Further, the current market for attracting highly qualified engineers and mariners is challenging and the challenging market affects the Group, as it is dependent on retaining highly skilled employees. Due to the shortage of skilled and qualified staff, the Group may not be able to identify and attract, nor retain, qualified staff in the future. This could adversely affect its business and results of operations.

2.1.9 The Group is subject to risks related to adequate utilization of its workforce, cyclicalities of demand and over-utilisation

As a consultancy services provider, the Group is dependent on a sufficient utilisation of its workforce in order to be profitable. The rate at which the Group utilises its workforce is affected by a number of factors, including:

- The Group's ability to transfer employees between projects;
- The Group's ability to forecast demand for its services and thereby maintain an appropriate headcount;
- The Group's ability to manage attrition; and
- The Group's ability to match the skill sets of its employees to the needs of the marketplace.

The projects in which the Group is involved will from time to time involve a high workload on its workforce. If the Company over-utilises its workforce, the Group's employees may become disengaged which will lead to an increase in the rate of employee attrition. If the Group under-utilises its workforce, its profit margin, profit and financial condition may be adversely affected.

Due to the inherent volatile character of the demand for offshore services, it may be especially difficult for the Group to forecast demand for its services. Thus, the Group's exposure to risks related to the cyclicalities of demand and variations in the utilisation of its workforce will be greater than for companies involved in less volatile industries.

The above risk factors may have a material adverse effect on the Group's business, revenue, profit and financial condition.

2.1.10 Risks related to insufficient insurance coverage

The core business of the Group is within an area which is particularly exposed to accidents and omissions of inherently severe nature. Although the Group maintains general liability insurance coverage and professional indemnity and project risk insurance coverage, including coverage for errors and omissions, which it believes to be sufficient for its business, there is no assurance that insurance or indemnifications will adequately protect the Group against liability from any or all consequences of such events and the size of claims made against the Group can potentially exceed the limits of its insurance coverage. Further, any claim that may be brought against the Group could result in a court judgment or settlement or a nature or in an amount that is not covered, in whole or in part, by the Group's insurance or that it is in excess of the limits of the Company's insurance coverage. The Group's insurance policies also have various exclusions, and the Group may be subject to a product liability claim for which the Company has no coverage. The Group's exposure to risk related to insufficient insurance coverage is increased as a result of its presence in a broad range of jurisdictions with various different regulations and requirements,

The Group will have to pay any amounts awarded by a court or negotiated in a settlement that exceed the Company's coverage limitations or that are not covered by the Group's insurance, and the Group may not have, or be able to obtain, sufficient capital to pay such amounts.

In the event of insufficient insurance coverage of any claims related to accidents, omissions, contractual claims or other project liabilities, this could have a material adverse effect on the Group's business, revenue, profit and financial condition.

2.1.11 Contracts expiring and contract renewals

The Group's services are mainly project based, and it has few long-term commitments. The Group has established a relatively broad customer base and is only to a limited extent dependent upon a few large customers within the marine, energy and renewable industries. However, the Group's financial condition and results of operations could be damaged if these customers interrupt or curtail their activities or terminate their contracts with the Group, fail to renew existing contracts or refuse to award new contracts to the Group while, at the same time, the Group is not able to enter into new contracts with new customers at comparable terms. Moreover, the long-term commitments that the Group has can be terminated on a relatively short notice. Hence, due to the project-based character of the Group's services, the Group's exposure to such risk is greater than for companies with long term commitments and a more regular workflow. For the same reason the Group is dependent on continuously winning and retaining business. Furthermore, the Group's contract structure implies that there is limited visibility for the Group's future revenue. There can be no assurance that the Group will be able to renew its existing customer contracts, or that any such future agreements will be on terms equally favourable to the Group as is currently the case. During depressed market conditions, a customer may no longer need the services that are currently under contract or may be able to obtain comparable service at a lower rate. As a result, customers may seek to renegotiate the terms of their existing contracts or avoid their obligations under those contracts. Hence, the Group's inability to compete successfully may reduce its profitability.

2.1.12 Environmental risk

Environmental and energy matters have been the focus of increased scientific and political scrutiny and are subject to various legal requirements. Legal requirements concerning these issues could potentially reduce demand for oil and natural gas, which again could affect the demand for the Group's services. Furthermore, the activities of the Group are subject to environmental rules and regulations pursuant to international conventions and national legislation in relevant jurisdictions. Failure to comply with environmental rules and regulations may cause damage to the external environment, suspend operations and may result in fines, penalties and/or claims by authorities and customers. To the extent the Group is held liable for such breach of environmental rules and regulations, it may have an adverse effect on its operations and financial conditions.

2.1.13 Accidents

The inherent high risk involved in the Group's core business, which may involve high value assets, increases the Group's exposure to accidents of a severe and grave nature such as explosions, fires and total damage of property due to technical failure or natural disasters, with potentially fatal consequences for the Group's personnel and consultants. An accident involving one or more of the Group's personnel, and most importantly its consequence and indirect effect, could severely adversely affect the Group's business and reputation. Severe accidents may also make it more difficult for the Group to attract and keep qualified personnel, sub-contractors and clients.

An accident may further expose the Group for legal claims, including claims for indemnification of material size and severity, thus potentially adversely affect the Group's financial condition and liquidity. Due to their severe nature, such legal claims are often complex and of material size and severity and may require both dedicated personnel and man hours in addition to economic provisions for several years. Legal claims and disputes could thus materially adversely affect the Group's business, financial condition, results of operation and liquidity.

2.1.14 Risks related to changes in tax laws and regulations

As the Group is operating in 39 jurisdictions, each of which with separate local laws and regulations, the Group is particularly exposed to changes in tax laws and regulations. Such tax laws and regulations may further be subject to change, varying interpretations and inconsistent enforcement, which could have a material adverse effect on the Group's profit and financial condition. It is possible that tax authorities in the countries in which the Group operates will introduce additional tax measures, depending on factors outside the Group's control. The introduction of any such provisions may require the Group to pay additional taxes or affect the Group's overall tax efficiency. Any such additional exposure could have a material adverse effect on the Group's business, profit and financial condition.

2.2 Financial risk

2.2.1 Cyclical risks

The demand for the Group's services, and thereby its revenues, are especially sensitive to fluctuations in the market, due to their project-based character, while most of its costs are fixed (such as personnel expenses). This risk is amplified due to the inherent cyclical nature of the industries to which the Group provides services, such as the oil and gas industry. Failure to counteract cyclical movements by bringing stability to its revenue and reducing its costs may have a material adverse effect on the Group's business, revenue profit and financial condition.

2.2.2 Liquidity risk

The Group's ability to continue its core operations is dependent on close and adequate monitoring of the Group's cash flow to ensure that it has sufficient cash available on demand to meet expected operational expenses, including the servicing of financial obligations. As the Group's core business is highly dependent on the overall level of activity and capital spending by oil & gas and offshore companies (which is inherently fluctuating and outside the Group's control), the Group needs to pay particular attention to both its short term and long-term liquidity need. Further, the Group's contract structure implies that there is limited visibility for the Group's future revenue, thus increasing the Group's need to pay particular attention to its current and future liquidity need.

Further, as the Group's future liquidity depends on a number of factors, such as actual operational expenses, future acquisitions and other investments and costs of personnel, the Group may not be able to adequately assess and foresee its future cash requirement. The Group's liquidity is subject to uncertainty with respect to inter alia future earnings, working capital fluctuations and outcome of legal claims and disputes, and several of the factors which will affect the Group's liquidity need, such as changes in tax laws and regulations, is inherently outside the Group's control. A limited liquidity position may have a material adverse effect on the Group's business, financial condition, results of operation, and worst case, force the Group to cease its operations.

2.2.3 The Group is subject to exchange rate risk.

The Company's and its Norwegian subsidiaries' operational costs are primarily in NOK, whilst the Group reports in USD. The Company's foreign subsidiaries' cost base is further primarily in their local currencies. Moreover, due to the global character of the Group's operations, a considerable part of the income generated by the companies in the Group is denominated in other currencies than their respective operational costs.

To some extent the Group is thus exposed to currency exchange fluctuations. If the Group continues to expand its market positions in other countries, or expands its business to new markets, it will be further exposed to such fluctuations. Currency exchange rates are determined by forces of supply and demand on the currency exchange markets, which again are affected by the international balance of payments,

economic and financial conditions and expectations, government intervention, speculation and other factors. Fluctuations in exchange rates may have a material adverse effect on the Group's business, revenue, profit and financial conditions.

2.3 Risks related to the Transaction

2.3.1 The Company has acquired an ongoing business with a number of exposures relating to the period prior to closing

By the acquisition of the AGR Group, the Company acquired liabilities and other exposures relating to that business and which stems from periods prior to Closing. The Company's protection against such liabilities and other exposures under the Sale and Purchase Agreement is limited both by the scope of the warranties provided by the sellers and by the amount and time limitations applicable to these warranties (see Section 6.5 "Warranties of the Seller" for further details about the warranties, which are in line with customary warranties for transactions). Although customary due diligence investigations have been concluded in relation to the acquisition, the acquisition of the AGR Group represents a risk for the Group with regards to undiscovered and / or unknown liabilities and other exposures. Such unknown liabilities or exposures may have a material adverse effect on the business, results of operations, cash flows, financial conditions and/or prospects of the Company.

2.3.2 The Company may not achieve the expected benefits of the Transaction

In order for the acquisition to be successful, the Company must succeed in integrating AGR Group into the Group in a manner not negatively affecting the businesses and enabling the Group to achieve the desired economic effects. The Company will face foreseen and unforeseen risks and challenges when integrating AGR Group into its existing business. The Company's ability to benefit from enhanced business opportunities is dependent on business conditions in future periods that cannot be predicted or measured with certainty. The Company cannot be certain that the integration of AGR Group into its existing business will result in the expected benefits from anticipated business opportunities, revenue enhancements or cost synergies or that such results can be achieved in the timeframe expected. Future business conditions and events may reduce, eliminate or delay the Company's ability to realize them. Further, the growth and operating strategies for the combined group may not be successful. The Company may fail to realize the anticipated benefits of the Transaction due to integration and other challenges, including, but not limited, to:

- complications consolidating corporate and administrative infrastructures, information technology, communications and other systems;
- difficulties retaining employees;
- inability to coordinate staff across office network, marketing and other functions;
- potential disruption of ongoing businesses or inconsistencies in standards, controls, procedures and policies which could have a material adverse effect on the ability to maintain relationships with customers, suppliers or creditors;
- diversion of management's attention and resources from ongoing business concerns; and
- difficulties mitigating contingent and assumed liabilities.

The inability to benefit from business opportunities, experience revenue and overall growth or to meet the expected cost of integrating AGR Group, or inability to achieve them within the expected timeframe, could have a material adverse effect on the Company's business, financial condition, operating results and/or cash flows.

3. RESPONSIBILITY FOR THE PROSPECTUS

This Prospectus has been prepared in connection with the listing of the Consideration Shares on Oslo Børs.

The Board of Directors of ABL Group ASA accepts responsibility for the information contained in this Prospectus. The members of the Board of Directors confirm that the information contained in the Prospectus is, to the best of their knowledge, in accordance with the facts and contains no omission likely to affect its import.

Oslo, 26 June 2023

The Board of Directors of ABL Group ASA

Glen Ole Rødland

Yvonne Litsheim Sandvold

Synne Syrrist

Rune Eng

David Wells

Hege Marie Norheim

Paal E. Johnsen

4. GENERAL INFORMATION

4.1 Other important investor information

This Prospectus has been approved by the Financial Supervisory Authority of Norway (Nw. Finanstilsynet) (the "**Norwegian FSA**"), as a competent authority under Regulation (EU) 2017/1129 (the "**EU Prospectus Regulation**"). The Norwegian FSA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the EU Prospectus Regulation, and such approval should not be considered as an endorsement of the issuer or the quality of the securities that are the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the securities mentioned in this Prospectus. This Prospectus has been drawn up as part of a simplified prospectus in accordance with Article 14 of Regulation (EU) 2017/1129.

The information contained herein is current as of the date hereof and subject to change, completion and amendment without notice. In accordance with Article 23 of the Prospectus Regulation, significant new factors, material mistakes or material inaccuracies relating to the information included in this Prospectus, which may affect the assessment of the Shares and which arise or are noted between the time when the Prospectus is approved by the Norwegian FSA and the listing of the Shares on Oslo Børs, will be mentioned in a supplement to this Prospectus without undue delay. Neither the publication nor distribution of this Prospectus shall under any circumstance imply that there has not been any change in the Group's affairs or that the information herein is correct as of any date subsequent to the date of this Prospectus.

No person is authorised to give information or to make any representation concerning the Group other than as contained in this Prospectus. If any such information is given or made, it must not be relied upon as having been authorised by the Company or any of its affiliates, representatives or advisers.

4.2 Expenses for the listing of the Consideration Shares

The Company's total costs and expenses of, and incidental to, the listing of the Consideration Shares are estimated to amount to approximately NOK 500,000.

4.3 Terminology guidelines

The Transaction (as described in Section 6 "The Acquisition of the AGR Group") was completed on 18 April 2023, at which point in time AGR was acquired by the Company, and thus became a wholly owned subsidiary of the Company (see Section 5.2 "Legal structure" for an overview of the Group post-Transaction). AGR became a part of the Group from such date, and any references to the "Group" in this Prospectus shall for the period from 18 April 2023 to the date of this Prospectus be considered to include AGR and the operations carried out under the legal entities of the AGR Group. For the avoidance of doubt, this means that any references to the "Group" for any historical period and generally prior to completion of the Transaction shall be considered to cover only the ABL Group (i.e. excluding AGR).

The reader is asked to evaluate the context of the information presented, and to evaluate whether it contextually covers AGR or not, based on the terminology guidelines set out herein.

4.4 Financial information

The Company's audited financial statements for the years ended 31 December 2021 and 31 December 2022 (the "**Financial Statements**") are included in Appendix B-C.

The Financial Statements have been prepared in accordance with International Financial Reporting Standards as adopted by the EU ("**IFRS**") and audited by PricewaterhouseCoopers AS. There were no qualifications to the independent auditor's audit opinion.

The Financial Statements are together referred to as the "**Financial Information**".

4.4.1 Financial information relating to significant gross change - unaudited pro forma financial information

This Prospectus includes unaudited pro forma condensed consolidated financial information for the Group for the year ended 31 December 2022 (the "**Unaudited Pro Forma Financial Information**"), as further described in Section 7 "Unaudited Pro Forma Financial Information", in order to show what the significant effects of the Transaction (as set out in Section 6 "The Acquisition of AGR Group") might have been had the Transaction occurred at an earlier date. Please refer to Section 7 "Unaudited Pro Forma Financial Information" for further information on the integration plan.

4.4.2 Other financial information

This Prospectus includes unaudited interim financial information for the Group for the three months period ended 31 March 2023 (the "**Unaudited interim financial information for Q1 2023**"). See Section 14.2 "Incorporated by reference".

The Unaudited interim financial information for Q1 2023 has not been prepared in accordance with IAS 34 as it doesn't include the statement of changes in equity, the statement of other comprehensive income as well as certain note information. The Unaudited interim financial information for Q1 2023 has been prepared based on the same recognition and measurement criteria as the Group's financial statements for the year ended 31 December 2022 (IFRS). The Unaudited interim financial information for Q1 2023 has not been subject to audit or review by PricewaterhouseCoopers AS.

4.5 Presentation of other information

4.5.1 Industry and market data

This Prospectus contains statistics, data, statements and other information relating to markets, market sizes, market shares, market positions and other industry data pertaining to the Group's future business and the industries and markets in which it may operate in the future. Unless otherwise indicated, such information reflects the Company's estimates based on analysis of multiple sources, including data compiled by professional organisations, consultants and analysts and information otherwise obtained from other third-party sources, such as annual financial statements and other presentations published by listed companies operating within the same industry as the Company may do in the future. Unless otherwise indicated in the Prospectus, the basis for any statements regarding the Company's competitive position in the future is based on the Company's own assessment and knowledge of the potential market in which it may operate.

The Company confirms that where information has been sourced from a third party, such information has been accurately reproduced and that as far as the Company is aware and is able to ascertain from information published by that third party, no facts have been omitted that would render the reproduced information inaccurate or misleading. Where information sourced from third parties has been presented, the source of such information has been identified. The Company does not intend and does not assume any obligations to update industry or market data set forth in this Prospectus.

Industry publications or reports generally state that the information they contain has been obtained from sources believed to be reliable, but the accuracy and completeness of such information is not guaranteed. The Company has not independently verified and cannot give any assurances as to the accuracy of market data contained in this Prospectus that was extracted from these industry publications or reports and reproduced herein. Market data and statistics are inherently predictive and subject to uncertainty and not necessarily reflective of actual market conditions. Such statistics are based on market research, which itself is based on sampling and subjective judgments by both the researchers

and the respondents, including judgments about what types of products and transactions should be included in the relevant market.

As a result, prospective investors should be aware that statistics, data, statements and other information relating to markets, market sizes, market shares, market positions and other industry data in this Prospectus (and projections, assumptions and estimates based on such information) may not be reliable indicators of the Company's future performance and the future performance of the industry in which it operates. Such indicators are necessarily subject to a high degree of uncertainty and risk due to the limitations described above and to a variety of other factors, including those described in Section 2 "Risk factors" and elsewhere in this Prospectus.

4.5.2 Currency Presentation

In this Prospectus, all references to "**NOK**" are to the lawful currency of Norway, all references to "**USD**" are to the lawful currency of the United States of America, all references to "**GBP**" are to the lawful common currency of the United Kingdom. No representation is made that the NOK, USD or GBP amounts referred to herein could have been or could be converted into NOK, USD or GBP, as the case may be, at any particular rate, or at all.

The Group prepares its financial statements in USD (presentation currency). Unless otherwise noted, all amounts in this Prospectus are expressed in USD.

4.5.3 Rounding

Certain figures included in this Prospectus have been subject to rounding adjustments (by rounding to the nearest whole number or decimal or fraction, as the case may be). Accordingly, figures shown for the same category presented in different tables may vary slightly. As a result of rounding adjustments, the figures presented may not add up to the total amount presented.

4.6 Forward-looking Statements

This Prospectus contains forward-looking statements that reflect the Company's current views with respect to future events and financial and operational performance. Such forward-looking statements include, without limitation, projections and expectations regarding the Group's future financial position, business strategy, plans and objectives, and appear in Section 5 "Presentation of the Group", and elsewhere in the Prospectus. All forward-looking statements included in the Prospectus are based on information available to the Company, and views and assessments of the Company, as at the date of this Prospectus. Except as required by the applicable stock exchange rules or applicable law, the Company does not intend, and expressly disclaims any obligation or undertaking, to publicly update, correct or revise any of the information included in this Prospectus, including forward-looking information and statements, whether to reflect changes in the Company's expectations with regard thereto or as a result of new information, future events, changes in conditions or circumstances or otherwise on which any statement in this Prospectus is based.

When used in this document, the words "anticipate", "assume", "believe", "can", "could", "estimate", "expect", "intend", "may", "might", "plan", "should", "will", "would" or, in each case, their negative, and similar expressions, as they relate to the Company, its subsidiaries or its management, are intended to identify forward-looking statements. The Company can give no assurance as to the correctness of such forward-looking statements and investors are cautioned that any forward-looking statements are not guarantees of future performance. Such forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements of the Group, or, as the case may be, the industry, to materially differ from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking

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statements are based on numerous assumptions regarding the Group's present and future business strategies and the environment in which the Company and its subsidiaries operate.

Factors that could cause the Group's actual results, performance or achievements to materially differ from those in the forward-looking statements include but are not limited to, the competitive nature of the markets in which the Group operates, technological developments, government regulations, changes in economic conditions or political events. These forward-looking statements reflect only the Company's views and assessment as at the date of this Prospectus. Factors that could cause the Group's actual results, performance or achievements to materially differ from those in the forward-looking statements include, but are not limited to, those described in Section 2 "Risk factors" and elsewhere in the Prospectus.

Given the aforementioned uncertainties, readers are cautioned not to place undue reliance on any of these forward-looking statements.

5. PRESENTATION OF THE GROUP

5.1 Incorporation, registered office and registration number

The Company's legal name is ABL Group ASA. The Company is a public limited liability company (Nw: Allmennaksjeselskap) organised and existing under the laws of Norway pursuant to the Norwegian Public Limited Companies Act. The Company was incorporated on 2 June 2014 and is registered in the Norwegian Register of Business Enterprises with business registration number 913 757 424. The Company's business address is Haakon VII's gate 6, 0161 Oslo, Norway. The Company's website is <http://www.abl-group.com/>.

5.2 Legal structure

The Company is the holding company in the Group, as well as conducting certain group activities. The following table sets out information about the legal entities in which the Company, as of the date of this prospectus, holds (directly or indirectly) more than 10% of the outstanding capital and votes.

Subsidiaries	Country of incorporation	Parent Group Company	Group ownership	Voting power
ABL Group Holding Limited	United Kingdom	ABL Group ASA	100 %	100 %
ABL Technical Services Holdings Limited	United Kingdom	ABL Group ASA	100 %	100 %
Offshore Wind Consultants Limited	United Kingdom	ABL Group ASA	100 %	100 %
East Point Geo Ltd.	United Kingdom	ABL Group ASA	100 %	100 %
ABL Energy & Marine Consultants Brasil Ltda	Brazil	ABL Group Holding Limited	99.99%	100 %
ABL Shanghai Co., Ltd	China	ABL Group Holding Limited	100 %	100 %
ABL Group Korea Ltd	Republic of Korea	ABL Group Holding Limited	100 %	100 %
ABL Marine Services LLC	Qatar	ABL Group Holding Limited	49 %	100 %
A B L Marine Services LLC	United Arab Emirates	ABL Group Holding Limited	49 %	100 %
Aqualis Offshore UK Ltd	United Kingdom	ABL Group Holding Limited	100 %	100 %
ABL Adjusting Limited	United Kingdom	ABL Technical Services Holdings Ltd.	100 %	100 %
ABL Energy & Marine Consultants South Africa (Pty) Ltd	South Africa	ABL London Limited	100 %	100 %
ABL Teknik Servis Denizcilik Limited Sirketi	Turkey	ABL London Limited	100 %	100 %
ABL London Limited	United Kingdom	ABL Technical Services Holdings Ltd.	100 %	100 %
AB (Residual) Pty Ltd	Australia	ABL Energy & Marine Consultants Pte Ltd	100 %	100 %
ABL Energy & Marine Consultants India Private Ltd	India	ABL Technical Services Pte Ltd. (Nevis)	99%	100 %
PT ABL Offshore Indonesia	Indonesia	ABL Energy & Marine Consultants Pte Ltd	100 %	100 %

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Subsidiaries	Country of incorporation	Parent Group Company	Group ownership	Voting power
ABL Consultants Malaysia Sdn Bhd	Malaysia	ABL Technical Services Pte Ltd. (Nevis)	49 %	100 %
ABL Technical Services Pte Ltd.	Nevis	ABL Technical Services Holdings Ltd.	100 %	100 %
ABL Energy & Marine Consultants Pte Ltd	Singapore	ABL Technical Services Pte Ltd. (Nevis)	100 %	100 %
ABL Consultants (Thailand) Co Limited	Thailand	ABL Energy & Marine Consultants Pte Ltd (Singapore)	49%	100 %
ABL Vietnam Company Ltd.	Vietnam	ABL Technical Services Pte. Ltd. (Nevis)	100 %	100 %
OWC (Aqualis) GmbH	Germany	ABL Group Holding Limited	100 %	100 %
OWC Japan Ltd.	Japan	ABL Group Holding Limited	100 %	100 %
Offshore Wind Consultants sp. z o.o	Poland	ABL Group Holding Limited	100 %	100 %
Offshore Wind Consultants Taiwan Co. Limited	Taiwan	ABL Group Holding Limited	100 %	100 %
Neptune Midco 1 Ltd	United Kingdom	ABL Group ASA	100 %	100 %
Neptune Midco 2 Ltd	United Kingdom	Neptune Midco 1 Ltd	100 %	100 %
Neptune Bidco Ltd	United Kingdom	Neptune Midco 2 Ltd	100 %	100 %
LOC Group Ltd	United Kingdom	Neptune Bidco Ltd	100 %	100 %
London Offshore Consultants (Holdings) Ltd	United Kingdom	LOC Group Ltd	100 %	100 %
Longitude Consultancy Holdings Ltd	United Kingdom	LOC Group Ltd	100 %	100 %
London Offshore Consultants Ltd	United Kingdom	London Offshore Consultants (Holdings) Limited	100 %	100 %
Longitude Consulting Engineers Ltd	United Kingdom	Longitude Consultancy Holdings Ltd	100 %	100 %
Longitude Engineering de Mexico SA de CV	Mexico	Longitude Consultancy Holdings Ltd	100 %	100 %
Longitude Engineering Pte Ltd	Singapore	Longitude Consultancy Holdings Ltd	100 %	100 %
Longitude Consultants Inc.	USA	Longitude Consultancy Holdings Ltd	100 %	100 %
LOC JLA Inc	USA	ABL USA Inc	100 %	100 %
John Le Bourhis & Associates Inc	USA	LOC JLA Inc	100 %	100 %
London Offshore Consultants (Nigeria) Ltd	Nigeria	London Offshore Consultants (Holdings) Limited	100 %	100 %

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Subsidiaries	Country of incorporation	Parent Group Company	Group ownership	Voting power
London Offshore Consultants Pte Ltd	Singapore	London Offshore Consultants (Holdings) Limited	100 %	100 %
ABL (HK) Ltd	Hong Kong	London Offshore Consultants (Holdings) Limited	100 %	100 %
London Offshore Consultants Brasil Ltda	Brazil	London Offshore Consultants (Holdings) Limited	100 %	100 %
London Offshore Consultants (Qatar) LLC	Qatar	London Offshore Consultants (Guernsey) Ltd	49 %	100%
ABL Aberdeen Ltd	United Kingdom	London Offshore Consultants (Holdings) Limited	100 %	100 %
ABL USA Inc	USA	London Offshore Consultants (Holdings) Limited	100 %	100 %
ABL Norway AS	Norway	London Offshore Consultants (Holdings) Limited	100 %	100 %
London Offshore Consultants Mexico SA de CV	Mexico	London Offshore Consultants (Holdings) Limited	100 %	100 %
LOC (Netherlands) BV	The Netherlands	London Offshore Consultants (Holdings) Limited	100 %	100 %
London Offshore Consultants WLL	UAE	London Offshore Consultants (Guernsey) Ltd	49 %	100%
LOC (Tianjin) Co Ltd	China	London Offshore Consultants Pte Ltd	100 %	100 %
LOC Laem Chabang Co Ltd	Thailand	London Offshore Consultants (Holdings) Limited	99.99 %	100%
LOC (Egypt) for Consultancy Service SAE	Egypt	London Offshore Consultants (Holdings) Limited	60 %	60%
London Offshore Consultants (India) Private Ltd	India	London Offshore Consultants (Holdings) Ltd	100 %	100 %
London Offshore Consultants (France) SARL	France	London Offshore Consultants Ltd	100 %	100 %
London Offshore Consultants (Malaysia) SDN BHD	Malaysia	London Offshore Consultants (Holdings) Limited	49%	100%
London Offshore Consultants (Guernsey) Ltd	Guernsey	London Offshore Consultants (Holdings) Limited	99%	100%
London Offshore Consultants Korea Co Ltd	South Korea	London Offshore Consultants (Holdings) Limited	100 %	100 %
ABL (Australasia) Pty Ltd	Australia	London Offshore Consultants (Holdings) Limited	100 %	100 %
LOC (Kazakhstan) LLP	Kazakhstan	London Offshore Consultants (Holdings) Limited	100 %	100 %
LOC (Tianjin) Risk Technology Service Co Ltd	China	LOC (Tianjin) Co Ltd	100 %	100 %
Innosea SAS	France	London Offshore Consultants (Holdings) Limited,	100%	100%
Innosea Limited	Scotland	Innosea SAS	100%	100%

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Subsidiaries	Country of incorporation	Parent Group Company	Group ownership	Voting power
LOC (Germany) GmbH	Germany	London Offshore Consultants (Holdings) Limited	100 %	100 %
LOC (Senegal)	Senegal	London Offshore Consultants (Holdings) Limited	100 %	100 %
A B L Marine Services LLC (Abu Dhabi)	UAE, Abu Dhabi	A B L Marine Services LLC (Dubai)	49 %	100%
ABL Marine Services Ltd	Saudi Arabia	ABL Group Holding Ltd	60%	60%
Offshore Wind Consultants Ireland Limited	Ireland	ABL Group Holding Ltd	100%	100%
Add Energy Group AS	Norway	ABL Group ASA	100%	100%
Add Latent Limited	UK (Scotland)	Add Energy Group AS	100%	100%
Add Wellflow AS	Norway	Add Energy Group AS	100%	100%
Add Energy Scotland Ltd	UK (Scotland)	Add Latent Limited	100%	100%
Total Service Partner AS (JV)	Norway	Add Wellflow AS	32.5%	32,5%
Add Energy North America Holding AS	Norway	Add Energy Group AS	100%	100%
Add Energy North America Holding LLC	USA	Add Energy North America Holding AS	100%	100%
Add Energy LLC	USA	Add Energy North America Holding LLC	100%	100%
Add Energy Offshore LLC	USA	Add Energy LLC	100%	100%
Add Energy Canada Ltd	Canada	Add Energy Group AS	100%	100%
Add Energy Australasia Pty Ltd	Australia	Add Energy Group AS	100%	100%
Add Lucid Pty Ltd	Australia	Add Energy Australasia Pty Ltd	100%	100%
Oracle Services Pty Ltd	Australia	Add Energy Australasia Pty Ltd	100%	100%
Transitory Pty Ltd	Australia	Add Energy Australasia Pty Ltd	100%	100%
Lucid Unit Trust	Australia	Trust	100%	100%
Add IPS Pty Ltd	Australia	Add Energy Australasia Pty Ltd	100%	100%
Add Energy Asia Pte Ltd	Singapore	Add IPS Pty Ltd	100%	100%

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Subsidiaries	Country of incorporation	Parent Group Company	Group ownership	Voting power
Add ISRM Pty Ltd	Australia	Add IPS Pty Ltd	100%	100%
Add Energy & Partners LLC (JV)	Oman	Add Energy Scotland Ltd	50%	50%
AGR AS	Norway	ABL Group ASA	100%	100%
AGR (Australia) Pty Ltd	Australia	AGR AS	100%	100%
AGR Energy Services AS	Norway	AGR AS	100%	100%
AGR Consultancy Services AS	Norway	AGR AS	100%	100%
AGR Consultancy Solutions Ltd	UK	AGR AS	100%	100%
AGR Software AS	Norway	AGR AS	91%	91%

5.3 Business and company overview

ABL Group is a global independent energy and marine consultancy incorporated in 2014.

The Company offers, through its subsidiaries and associates, energy and marine consultancy services to the renewables, oil and gas, maritime and power industries. The group employs experienced staff in 39 countries worldwide. The Company operates under six different globally spanning brands:

- **ABL:** A marine and offshore consultancy to the energy, shipping and insurance industries.
- **ABL Yachts:** Specialized marine surveyors and consultants to the superyacht market.
- **OWC:** Project development services, owner's engineering, technical consultancy and technical due diligence to the offshore renewables industry.
- **Innosea:** Engineering advisory, verification, research and development, concept development and consultancy for marine renewable energy.
- **Longitude:** Independent engineering, design and analysis services for the marine, renewables, oil and gas, defence, and offshore infrastructure markets.
- **AGR:** A multi-disciplinary engineering consultancy and software provider to the energy sector, focusing primarily on well, reservoir and other subsurface services.

5.4 History and important events

The Company was started on the premise of growing demand for offshore marine and engineering consultancy services and the space for a new global marine engineering consultancy after the industry consolidation that had taken place in the prior years. The Company's strategy at the onset after its incorporation was to establish a global presence in all major oil and gas regions and build up a niche engineering and marine consultancy based on recruitment of experienced marine and engineering staff. Having access to a global service offering with experienced staff is a key competitive advantage in the marine and engineering consultancy industry.

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From 2013 to 2015 a number of offices were opened globally, including amongst others in Singapore, London, Houston, Rio de Janeiro, Abu Dhabi, Shanghai, Mexico City and Qatar. During the same time period, the Company made several acquisitions, including Offshore Wind Consultants, to allow it to expand geographically and to expand the service range to cover the offshore wind and solar market services.

During 2015 the market conditions in the oil & gas business started to deteriorate significantly on the basis of a sharp fall in oil prices. The demand for marine and engineering consultancy services, particularly related to new CAPEX, fell significantly in this period which put strong pressure on prices in the whole oil service industry. To adapt to the changed market conditions, the Company rationalised its business and implemented a more flexible business model to operate in a market with lower margins, lower demand and less long term contracts. Due to the recession, the Company pulled back its expansion plans and reduced staff levels.

After a challenging year in 2016, the company started off in 2017 with a business model more aligned with market conditions and with a focus on strengthening its competitive positions and its profitability. From 2017 and to 2019 the Company has opened offices in Taiwan, Australia and US and expanded its business service lines. The Company sold its investment in ADLER Solar in 2018.

In 2019, the Company acquired three business lines (Adjusting, Marine and Offshore) from Braemar Shipping Services plc, representing the majority of the Braemar Technical Services division, and changed its name from Aqualis ASA to AqualisBraemar ASA.

In 2020, the Company acquired LOC Group from a holding company majority controlled by Bridgepoint Development Capital and changed its name from AqualisBraemar ASA to AqualisBraemar LOC ASA.

In 2021, the Company acquired East Point Geo Ltd, OSD-IMT Ltd. from Damen Shipyard Group, and the remaining 29% of Innosea SAS.

In 2022, the Company acquired Add Energy Ltd. and HOSE International Ltd. and changed its name from AqualisBraemar LOC ASA to ABL Group ASA. Further, the Company divested its Adjusting business in a management buy-out, currently trading as SteegeXP.

In 2023, the Company acquired AGR Group from a subsidiary of Akastor ASA.

The most significant milestones in the development of the Company are summarized below:

Year	Significant event
2012	Establishment of Aqualis Offshore Ltd
2013	Offices opened in Singapore, London (UK), Houston (USA), Rio de Janeiro (Brazil), Dubai (UAE) Acquisition of Standard Engineering AS Acquisition of Aqualis Offshore Limited
2014	Incorporation of Aqualis Offshore Holding, later renamed to AqualisBraemar ASA Listed on Oslo Børs. Offices opened in Abu Dhabi (UAE), Shanghai (China), Mexico City (Mexico) Acquisition of Tristein AS and Offshore Wind Consultants Ltd
2015	Office opened in Doha (Qatar) and Kuala Lumpur (Malaysia)

Year	Significant event
	Acquisition of 49% in ADLER Solar GmbH
2017	Office opened in Tainan (Taiwan)
2018	OWC opens office in Taipei (Taiwan) Expanded service lines to include Rig Inspection Services Sale of ADLER Solar Services GmbH Payment of first dividend of NOK 0.90/share
2019	Office opened in Perth (Australia) and Boston (USA) Acquisition of Braemar Technical Services Holdings Limited Renamed to AqualisBraemar ASA
2020	Acquisition of LOC Group Renamed to AqualisBraemar LOC ASA
2021	Acquired East Point Geo Ltd Acquired OSD-IMT Ltd Acquired final 29% of Innosea SAS
2022	Acquired Add Energy Ltd Acquired HOSE International Ltd Sale of Adjusting business Renamed to ABL Group ASA
2023	Acquisition of AGR AS

5.5 Business strategy

The Company was established on the premise that there was demand from clients for a new global niche offshore marine engineering consultancy. The Group's target is high-end niche consultancy in the offshore oil & gas sector and the offshore renewable sector.

The Group has established a presence in most major marine and offshore energy centres. The global presence allows the business to respond quickly when high-end marine or engineering consultancy is required. Although some of the offices have special focus on certain areas of operations, all service offerings are provided to the oil and gas market across all regions and for renewables to selected regions.

The Company's strategy is to offer high quality services by an experienced pool of staff and contractors. The Company has adapted to retain a flexible cost and skill base to be able to more quickly adapt to changes in market requirements.

The Group's strategy is to expand the marine and offshore activities through the establishment of new offices globally, widening and strengthening its global client portfolio and by adding complementary services to its existing service offering.

The oil service industry will benefit from further consolidation. The Company will continue to actively work on any value adding consolidation opportunities.

5.6 Description of the Company's business units

5.6.1 Introduction

Integration of AGR Group's business with the Company's existing business units commenced on completion of the Transaction on 18 April 2023. The services previously offered by the AGR Group, as well as most services previously offered by Add Energy, are now offered under the AGR brand as part of the ABL Group.

5.6.2 The ABL Group Business

Introduction to ABL Group

ABL Group is a global independent offshore energy and marine consultancy incorporated in 2014.

The Company offers, through its subsidiaries and associates, energy and marine consultancy services to the renewables, oil and gas, maritime and power industries. The group employs experienced consultants in 38 countries worldwide. The Company operates under four top level brands:

- **ABL:** A marine and offshore consultancy to the energy, shipping and insurance industries.
- **OWC:** Project development services, owner's engineering, technical consultancy and technical due diligence to the offshore renewables industry.
- **Longitude:** Independent engineering, design and analysis services for the marine, renewables, oil and gas, defence, and offshore infrastructure markets.
- **AGR:** A multi-disciplinary engineering consultancy and software provider to the energy sector, focusing primarily on well, reservoir and other subsurface services.

In addition to these four top level brands mentioned above, ABL Yachts is a small specialist department (focussing on "super yachts") within the maritime section of ABL but is marketed as a differentiated service to mainstream shipping. ABL Yachts is a sub-brand of ABL.

Innosea is a sub-brand of OWC and provides consulting and engineering services to the marine renewables industry with a particular focus on fixed and floating substructure concept development and turbine engineering and analysis.

ABL Group staff can be used interchangeably across the group's brands on specific project work.

The Company's primary organisation is in segments comprising of four regional segments through which the ABL branded services are marketed, Europe, Asia Pacific, Middle East and Americas, and three global segments for the more specialised OWC, Longitude and AGR services.

The Company's services are secondarily organised across its three markets; Renewables, Offshore and Marine.

A more detailed description on the business conducted under each of these segments and markets is provided in the sections below.

The Group's revenue is primarily generated through "call outs" and; project specific work.

"Call outs" (or so called "evergreen contracts"), e.g. Master Service Agreements, are contracts whereby the Group provides clients with services "as and when required" and such agreements are particularly prevalent where there is a constant requirement for repeat services that tend to be driven by OPEX, e.g.

attending on rig moves, vessel inspections, damage surveys, rig inspections etc. Historically approximately 70% of the Group's work was driven by "call outs" but the Group is expecting that this ratio will be reduced in favour of project specific work following the AGR Acquisition (as further described in section 6, and below),

The second revenue driver of the Group is project specific contracts, e.g. typically contracts awarded for specific projects with clearly definable scopes of work that tend to be driven by capex e.g. project offshore construction related, in particular Marine Warranty Survey ("MWS"), which tend to be long term (typically 1-5 years) capex projects, involving the construction and installation of offshore assets), offshore asset installations, new build construction supervision, engineering design, offshore attendances and so forth.

The Group's clients cover a wide spectrum of the market operators, e.g. utility companies, Oil Companies, (both national oil companies and independent oil companies), asset owners (rigs / ships / yachts), financial investors, EPIC contractors and insurance companies. The Group's client base is further described in section 5.8 below.

The Group is headquartered in London and has 62 office locations in all major marine and offshore hubs in 38 countries in Europe, Africa, Americas, Middle East, Asia and Australia. Europe and Asia Pacific represents the most revenue generating regions of the Group as of the date of the Prospectus.

ABL

The Company's largest brand, ABL, is further organised in 4 regional segments: Europe, Asia Pacific, Middle East and Americas. Under the ABL brand, the Company provides specialised marine and engineering consultancy services to the offshore oil & gas industry, maritime industry and the offshore renewables markets worldwide.

MARINE WARRANTY

The ABL Group provides Marine Warranty Surveys across the offshore oil & gas and renewables industries. We have been approved as Marine Warranty Surveyors on projects which include offshore construction works, transportations (including float overs and heavy lift topside load-outs), jack-up rig moving and location approvals, towages and dry transportations.

Our teams of Marine Warranty Engineers, Surveyors and Master Mariners provide independent third-party review and approval of offshore projects on behalf of underwriters or self-insured clients. We have extensive experience in a wide range of offshore activities from simple marine operations to complex and challenging offshore projects which include approvals for the following operations:

- Ocean towages
- Barge transportations
- Unusual / oversized cargoes on ships
- Location Approval for MODUs
- Offshore rig move attendance onboard MODUs
- Loadout, transportation and installation of offshore platforms, topsides and sub-sea structures
- Floating construction activities, floatover, deck mating, FPSO mooring installation & TLP hook-up
- Pipelay operations

- Bridge and harbor construction activities

Typical activities may include:

- Document reviews
- Suitability surveys of offshore marine spreads
- Approval of towages, heavy lifts and installations
- Subsea operations
- Decommissioning and removal of offshore structures
- Acting as Marine Advisors to oil companies and their contractors

MARINE CONSULTANCY

We offer a wide range of marine capability to the oil & gas and maritime industries. Our mariners have many years of experience associated with drilling rigs, offshore vessels and trading vessels. We aim to assist our clients in finding practical solutions to their marine operations and projects, and/or protect their interests when sub-contracting or making asset investments.

We offer:

- Provision of Towmasters
- Provision of Marine Advisors
- Dry transportation consultancy and operations
- Vessel inspections
- Rules & regulations compliance
- Inclining experiments
- Pilotage operations
- Rig move procedures
- Suitability surveys and audits
- Pre-charter audits/surveys
- Pre-purchase surveys
- Bollard pull certifications
- Drafting and review of offshore project related procedures
- Mooring plans
- Anchor handling procedures
- Witnessing equipment trials and tests
- Towing plans and procedures
- Common Marine Inspection Document (CMID) and Offshore Vessel Inspection Database (OVID) Surveys

RIG MOVING

We offer a full range of rig moving support services for Mobile Offshore Drilling Units. We offer full engineering assessments for site-specific location approvals and provide both Marine Warranty Surveyors and Rig Movers/Towmasters for offshore attendance during jack-up and floating unit rig moves.

The following services are provided:

- Jack-up engineering studies including site-specific assessments, fatigue analysis, collision studies, earthquake assessments, and heavy lift dry transportation
- Pre-contract rig suitability engineering analyses
- Leg penetration analyses
- Site-specific location approvals
- Mooring analyses
- Transportation approvals and consultancy
- Towage approvals
- Towmaster services
- Rig movers
- Turnkey marine operations
- General rig moving consultancy
- Marine Advisor

RISK CONSULTING

The Risk Consulting team strengthens the Company's marine and engineering services with a methodological and systematic approach to risk management.

Our engineering risk management experience includes drilling and productions facilities. Within marine operations we have performed numerous risk management activities within loadout, transport, anchor handling, rig move, heavy lifting, subsea and SURF installation, dynamic position (DP), hook-up, diving and ROV operations, personnel transport, vessel layup and decommissioning.

We provide the best practices for identifying and managing risks and hazards to personal safety, assets, environment and reputation both in engineering and operations. We can lead, facilitate or contribute to risk management activities such as:

- Hazard Identification Analysis (HAZID)
- Hazard and Operability Analysis (HAZOP)
- Quantitative Risk Analysis (QRA)
- Safety case studies
- Risk assessments
- Failure Mode, Effect and Criticality Analysis (FMECA)
- Carry out inspections
- Provide people who can work within a client's team to manage risk within a project

ENGINEERING

Through the ABL Group Business, the Company provides a unique solutions-based approach to engineering. Our engineers aim to work with our clients as a one-stop-shop to find efficient solutions to their engineering projects.

Due to our independent status, focus is on cost-effective solutions, fit for purpose and tailoring to suit the specific needs and constraints of our client. Our offshore engineering expertise covers the life-cycle of an offshore facility from concept and basic design through installation, on to ageing platform integrity management and finally, decommissioning. We are involved in both the shallow and deep water ends of the offshore oil & gas industry and operate from the major centers of the offshore industry.

Our experienced team can provide unique solutions for many platform types including Mobile Offshore Drilling Units (MODU), Wind Turbine Installation Vessels and Liftboats, Mobile Offshore Production Units (MOPU) including FPSO, FSO, as well as other offshore installations and floating structures. Our capability covers the marine systems, structural, geotechnical and naval architectural disciplines.

- Solutions include:
- Concept designs
- FEED and pre-FEED
- Basic designs
- MODU Upgrades, modification engineering and conversion to production platforms.
- Advanced engineering studies including hydrodynamic, non-linear response, stochastic and time-domain analysis.

Our combined teams include structural engineers, marine engineers and naval architects

TRANSPORTATION & INSTALLATION

Our multi-disciplined teams of Engineers, Surveyors and Master Mariners have many years of experience in the offshore industry.

We specialise in complex marine operations and can provide valuable early planning and advice to optimise the solutions with regard to vessel and equipment selection, structural design and offshore procedures. Subsequent engineering comprises analysis and design associated with all temporary phases of a marine operation, from loadout and transportation to installation or discharge of high value offshore assets.

Such engineering includes:

- Vessel ballasting
- Global and local vessel strength
- Vessel motions and stability
- Vessel/cargo interaction
- Grillage and seafastening design
- Design of fendering and installation aids
- Dynamic lifting and rigging
- Hydrodynamic analysis

- Jacket launch and upending
- Dynamic analysis for floatover installations
- Towing analysis and design
- Geotechnical analysis
- Production of appropriate documentation

Our service then extends to offshore operation supervision and support from our qualified and experienced Marine Superintendents and Project Engineers. We draw on the services of external companies where supplementary skills or input are required, for example metocean data for transportation assessment and planning. These services are tailored to suit our clients' requirements and can be supplied as conceptual/feasibility studies, detailed engineering and operation, or verification.

We have formed strategic alliances with vessel partners, enabling us to provide package solutions for T&I projects such as platform installations, including topside float overs, and tow, positioning and hook-up of floating structures.

With these services we provide associated engineering, preparation of procedures and offshore operations management.

RIG INSPECTION

We offer a wide range of rig inspection services to the offshore oil & gas industry. Our engineers offer years of practical experience in rig inspection, providing regulatory compliance and equipment operability assurance to our clients. Our rig inspection teams develop and execute bespoke rig inspection acceptance programs specifically tailored to our clients' needs.

We specialise in the following services:

- Rig inspection and assurance
- Rig selection
- Rig stacking & reactivation assurance
- New build delivery assurance
- Rig preservation inspection
- Focused rig inspections of the following equipment:
- Well control equipment inspections
- API standard 53 compliance audits & gap analysis
- Cyber-based drilling equipment inspections
- Integrated Control Management System (ICMS) inspections and testing
- ROV inspection & assurance
- Drilling rig equipment Factory Acceptance Testing (FAT) witnessing
- Cyber Security Assessments

Our aim is to provide independent technical reviews of drilling rigs' regulatory compliance and equipment operability to ensure incident-free drilling campaigns with maximum productive time.

CONSTRUCTION SUPERVISION

Through the ABL Group Business, the Company provides teams to work with the client throughout the construction or conversion of an offshore asset. The project team monitors the project to ensure that it is carried out in accordance with the contract, the specifications, clients' expectations, flag and class requirements.

The project team consists of key personnel with the necessary skills to ensure that the construction meets the build schedule. The Company provides a group of engineers and inspectors of various disciplines to be utilised at different stages of the project. In addition, dedicated planning and document control functions are provided throughout the duration of the construction phase.

Key project control activities include:

- Development and implementation of project procedures
- Review of machinery and equipment purchase orders and specifications
- Development and implementation of project execution plans
- Monitoring of work progress and testing activity
- Monitoring of quality control of each activity throughout the construction
- Attendance at formal safety meetings
- Attendance at Factory Acceptance Testing (FAT)
- Audits of subcontractors' facilities
- Attendance during sea trials and inclining experiments
- Reporting to the client on a weekly and monthly basis
- Tracking of site queries, observing safety policy, monitoring quality control measures
- Maintaining electrical & mechanical completion and commissioning records and database
- Monitoring and reporting on extras and credits

DYNAMIC POSITIONING & CRITICAL SYSTEMS

The ABL Group Business provides an experienced multidisciplinary team of engineering and operational resources to support the Dynamic Positioning (DP) industry. We deliver dynamic positioning services & critical systems consultancy, including DP FMEA (Failure Mode and Effects Analysis), DP audit, DP Assurance and DP project management.

Our services encompass all aspects of the DP system, from initial design consulting, procedures and documentation, proving trials, audits, incident investigation, life extension studies, maintenance and management.

Our aim is to assist our clients to operate and validate according to their units' specific industrial mission, including drilling units, project and construction vessels, DSV's, accommodation units, shuttle tankers and OSV's. Whether identifying the critical activity mode or verifying the worst case failure mode through FME(C)A, the Company aims to provide clients with independent technical reviews to enhance safe operations.

DP Services Include:

- FME(C)A

- DP FMECA proving and annual trials
- DP design review/redundancy analysis
- DP condition & suitability surveys
- DP Capability & gap analysis
- Development of ASOG, WSOG & CAMO
- DP incident investigation
- DP manuals and procedures
- DP operator competence assessment and verification
- DP project management & sea trials management
- Planning for DP conversions
- Dive Auditing and FMEA work
- Dive system FMEA
- Dive system FMEA proving trials
- Dive system auditing
- ROV auditing
- Critical systems FMEAs
- LNG code FMEAs
- Cargo control systems
- HAZID/HAZOP
- LNG bunker barges
- Analyses of cranes, bilge and ballast systems, pipelay systems and other critical systems

The ABL Group Business combines Dynamic Positioning with Rig Inspection services. We are the only Rig Inspection service provider with dedicated DP Practitioners. Our established DP inspection Practitioners bring years of experience with both offshore drilling rigs and offshore vessels.

TECHNICAL DUE DILIGENCE

With our assistance, owners and financial institutions can obtain an objective expert view on the actual project performance or asset value, as an important input to the decision-making process related to loans, consolidation or acquisitions.

Through the ABL Group Business, the Company is well placed to perform solid, independent technical due diligence services with its combination of engineers and master mariners. The engineers will have been involved from the first concepts to sail away, including yard contract negotiations, the operational phase, yard stays for repairs, upgrades, modifications and special periodic surveys. The mariners will have been in charge of vessels, rig moves, and major marine operations including vessel inspection/survey.

- Assessment of vessel requirement vs. capabilities
- Design review, professional peer review
- Assessment of owner, project management team and project plans/schedule
- CAPEX/OPEX budget evaluation

- Identify delay risks and other project risks
- Pre- and post- contract reviews
- Yard evaluation and inspection
- Verification of project progress/payment milestone audits
- Suitability survey, condition survey, assessment of vessel function
- Lifetime assessments
- Assessment of equipment preservation and re-activation

The above services are performed for the following vessels:

- Drilling units: Semi-submersibles, jack-ups, drillships and tender barges
- Production units: Ship-shaped, semi-submersibles and jack-ups
- Accommodation units: Semi-submersibles, jack-ups and tender barges
- Offshore service vessels: Anchor handlers, supply vessels, cable layers, crane vessels, liftboats, tugs, etc.
- Other vessels: Shuttle tankers, oil tankers, floating storage units, wind turbine installation vessels, barges, cargo vessels

MARINE INSURANCE SURVEYS

The ABL Group brand is well known in the marine insurance market for its hull & machinery surveys. Many of the key international marine and P&I underwriters rely on our services with brokers and assured supporting our services and having us included in many slips. We offer support to the wider industry by active involvement in industry bodies such as the LMA, JH committee, JMCC and IUMI.

With over 150 years of experience in the field we bring tradition and history combined with innovation and a modern approach to the marine claims and pre risk process.

Marine insurance services offered:

- Hull & machinery surveys
- P&I surveys
- Dedicated yacht team
- Cargo interests' surveys
- Loss of hire surveys
- Ship repairs liability surveys
- Ship builders liability surveys
- Product liability surveys
- Marine liability surveys
- Damage to fixed and floating objects including collision assessment
- Litigation & Expert witness
- Port risks
- Voyage risks

- Loss prevention services
- Personal injury
- Damage surveys of high value equipment and cargo

MARINE CONSULTANCY

We offer a wide range of marine consultancy to the wider marine and marine insurance markets. Our mariners have many years of experience associated with a variety of vessel types with many bringing further commercial experience as salvage masters, superintendents, shipyard managers, classification surveyors etc.

We offer:

- Provision of Marine Advisors
- Dedicated yacht team
- Dedicated ports and harbour consultancy capabilities
- Salvage and wreck removal services
- SCR provision
- Dry transportation consultancy and operations
- Vessel inspections
- Rules & regulations compliance
- Inclining experiments
- Pilotage operations
- Suitability surveys and audits
- Pre-charter audits/surveys
- Pre-purchase surveys
- Mooring plans

ABL YACHTS

Superyachts are a dynamic sector of the marine industry with their own unique challenges. The Company combines first-class multidisciplinary expertise, a truly worldwide presence, early response capability and proven reliability to deliver a distinctive bespoke service with exceptional technical content.

Yacht services offered:

- Damage surveys and casualty investigations
- New construction, conversion, refit and repair and project
- Management
- Sale and purchase services
- Yacht safety and loss prevention
- Yacht specific JH143 shipyard audits

PORTS & HARBOURS

Our Ports & Harbour team specialises in providing Port Capacity and Operational Simulation studies. Utilising our dual-purpose software package BRAEVURA ©, we are able to accurately model existing and future traffic flows using AIS data to predict port capacity, berth utilisations and to assess the effects on marine traffic of proposed modifications such as the introduction of new berths, vessel types or navigation rules.

ASSET INTEGRITY MANAGEMENT

The Company's Asset Integrity Management division, originally part of Add Energy, provides highly experienced industry experts across the globe. We focus on the core components of an asset integrity management strategy, which are key to achieving success:

- Asset performance diagnostics
- Master data build and optimization
- Maintenance optimization
- Inventory, procurement and logistics optimization
- Commissioning, operations and maintenance support
- Safety integrity and risk management
- Decommissioning consultancy and engineering solutions

OWC

OWC, the Company's dedicated renewables consultancy brand, was established as Offshore Wind Consultants in 2011. It was acquired by the Company in 2014, and has been strengthened by later acquisitions such as Innosea and East Point Geo.

In combination with the Group's other services, OWC is able to deliver enhanced services to their clients by sharing knowledge, expertise, and resources, particularly where engineering and offshore attendances are required.

KEY SERVICES

Through OWC, the Company specialises in providing services to offshore renewables developers, lenders and investors. We add value to clients through our experience whether they need support to realise a project or invest into a technology or project or develop their business or technology. We can align closely with our clients' business goals and strategies enabling us to deliver practical and innovative solutions.

We support the following offshore renewables market segments:

- Offshore wind (fixed and floating)
- Onshore wind
- Floating solar
- Ocean energy (wave and tidal)
- Subsea cables

- Energy storage
- Hydrogen

OWC supports the following needs:

- **Projects:** We have been involved in over a quarter of offshore wind developments globally to date. Our experienced team of offshore renewable experts take a full lifecycle approach to your project; from feasibility to operation to decommissioning/repowering.
- **Business intelligence:** Data, analysis and insightful opinion is the key for making the right business decisions. We help clients analyse and identify opportunities and gain real benefit from evidence-based insights.
- **Transactions:** We can advise on projects and technology around the world. With hands on experience of developing, constructing and realising offshore wind projects we provide real world advice on financial risks regardless of the stage of the technology or project.

The brand's service portfolio is broad and delivered by experts with deep experience. Our offshore renewables service portfolio includes:

- **Project Development Services:** We provide all the early studies necessary for constraint analysis, site selection studies and early site evaluation developing LCOE and other inputs into early DEVEX decision making.
- **Strategy, Market and Policy Studies:** Offering advice and consultancy for all current and emerging offshore renewables markets and technologies.
- **Technical Studies:** We draw on a vast range of technical expertise enabling us to provide technical studies in almost every area of interest. Some of our delivered studies cover fixed and floating foundation design, including coupled load assessments, weather downtime analysis (sequenced downtime analysis utilising Monte Carlo simulation), technical risk assessments and CAPEX and OPEX modelling.
- **Wind Measurement Advisory Services:** We combine first-hand research knowledge in the field of wind measurements with practical experience from a large number of commercial project assignments. OWC experts have provided technical and consultancy services to several floating Lidar deployments in commercial projects making OWC a technical advisory in the field of floating Lidar technology and measurements.
- **Owners Engineering:** We bring in depth design and construction experience, first-hand experience of offshore installation and all the associated technological challenges as well as bringing the lessons learnt from many other projects. We cover the entire project lifecycle and can either manage or consult on a project on clients' behalf, or supplement clients' own teams.
- **Operation & Maintenance Consultancy:** Advice on all phases and aspects of O&M including deep expertise in subsea cables. We cover emergency cable repair support, cable remediation solutions and works, scour issues, survey management. In the wider O&M space we cover operations management, technical support services, commercial management, O&M concept and strategy, modelling for OPEX, operational CAPEX, logistics, WTG availability and downtime calculations and QHSE.

- **Technical Due Diligence:** We offer specialist technical due diligence supporting the financing, acquisition, sale and refinancing of assets, technology and companies within the offshore renewables market. Owners and financial institutions can obtain an objective expert view on the actual offshore wind project performance or asset value, as an important input to the decision-making process related to loans, consolidation or acquisitions.
- **Geotechnical Engineering Services:** A core service; the OWC geotechnical team consists of engineers who have many years of experience within the offshore wind industry and possess both excellent design and analytical skills combined with direct experience of working offshore. We bring experience and expertise in Offshore geophysical and geotechnical site investigations, live interpretation of site investigation data to inform ground model updates and immediate design assessments, foundation design and installation analysis, cable route risk analysis and planning and site specific assessments for jack-up locations including leg penetration analyses. OWC combine this expertise with a number of in-house innovative tools that have reduced DEVEX & CAPEX costs on projects.
- **Project Management:** OWC provide project management service support through all stages of an offshore wind farm project. Our reputation is based on early involvement in projects; from the planning, design and engineering and then seeing our role expand to a project management service provider through the construction, installation and commissioning phases of the project. Our team can either undertake a leading role and manage a project directly on behalf of an owner, or more commonly, work as part of an integrated team with our client, managing specific packages of work and providing support and advice to all other areas of the project.
- **Engineering:** We are able to provide structural engineering services support through all stages of an offshore wind farm project. The services we can provide include: structural analysis and design for offshore WTGs and offshore substations, both fixed and floating, for all stages of the design process/projects including optioneering and concept, FEED studies, optimisation to reduce ICoE and increase profitability, and detailed design. We also have specialists in mooring lines, electrical engineering, and dynamic cable analysis.
- **Expert Witness:** Our offshore wind team bring a proven track record in forensic investigation and the provision of expert witness reports and testimony for use in dispute resolution, arbitration, mediation or in the court of law.
- **Transport & Installation / Marine Operations Consultancy:** We offer transportation & offshore installation feasibility studies, loadout engineering, harbour engineering related to seabed levelling, concrete structures, fenders, linkspans and gangways, transportation engineering, installation engineering for jack-up units going on location, jacket launching and lifting installation engineering, inspection and supervision and marine operations management.
- **Risk Management & Interface Management:** OWC provides risk and interface management through all stages of an offshore wind farm project. We apply proven and state-of-the-art risk and interface management tools and techniques such as Monte-Carlo Simulation, combined with solid experience of our team.
- **HSEQ:** OWC's multi-disciplinary background gives us a very broad experience base across different industries, continents and technical disciplines. We apply risk tools such as standardised risk profiling for projects or operations, integrated risk, planning and commercial profiling and HSE risk categorisation and benchmarking. We use such risk methods in the evaluations of marine operations, qualification of new vessel concepts, risk

assessment of wind turbine maintenance tasks, wind farm diving and ROV operations and also for offshore wind helicopter operations.

INNOSEA

Innosea forms part of the OWC business segment in the Company. Innosea's services are divided into the following main categories:

- Offshore structures engineering
- Specialized consultancy studies
- Advisory, Due Diligence & Market Strategy analyses
- Research & Development for product and methodology development

Innosea brings a rich portfolio of specialized engineering services for offshore renewable energy projects. One of the key assets of Innosea is its vast track-record of services provided to a wide variety of technologies or project developers globally. Innosea track-record covers fixed and floating wind energy, Solar PV, tidal energy, wave energy, OTEC, Blue or Green Hydrogen projects, as well as sea-related energy storage projects.

Innosea is thus able to form a rapid appreciation of clients' requirements and to respond promptly and effectively to these needs, including as part of clients' multi disciplinary teams. This enables us to tackle within the Group's Engineering taskforce, the most complex and challenging marine and engineering problems.

Innosea has gained a large experience portfolio through several market references in the following disciplines:

- Metocean analysis;
- Hydrodynamics;
- Naval architecture;
- Structural analysis and structural design;
- Wind turbine engineering and aeroelastic modelling;
- Integrated loads analysis of wind turbines
- Geoscience and geotechnical design;
- Moorings design and analysis;
- Umbilical design and analysis;
- Offshore Construction & Installation operations engineering.

Our services support all stages of the offshore wind and offshore renewables projects including:

- **Conceptual design:** Including R&D tasks and engineering studies
- **Feasibility/Development stage:** Selection of suitable solutions, project preliminary engineering, Site-specific design of foundations, Integrated analysis, Site conditions and design basis, Global performance analysis, LCOE/CAPEX-OPEX cost estimates
- **Design stage (FEED and Detailed):** Strong contribution to Design Basis with a focus on site conditions, Contribution to foundation and systems engineering and package

management including engineering scopes for: design briefs, design methodology (from global, integrated analysis to verification of individual local components), engineering design services, WTG Integrated Loads Assessment, drawings, design optimisations, RFI/RFQ construction specifications, coordination with Certification Body, Specification and management of tank testing campaigns, Interfaces management: between WTG supplier and foundation / EPCI (WTG model, foundation model, design load cases, convergence tests).

- **Cable engineering:** Inter Array Cable engineering, cable route engineering, Static & Dynamic Umbilical cable arrangements, global behavior and loads from dynamic cable equipment/appurtenances and cross-section design.
- **Software development and distribution:** Dedicated software tools with ownership and distribution including: InWAVE, Nemoh+, PREDIN, STATIONIS, WTG Library Load models

Longitude

Longitude's service portfolio is divided into the following main categories:

- Marine Operations Engineering
- Marine Design, Upgrade & Conversion
- Clean Shipping
- Site Investigations
- Advanced Analysis & Simulation

Each of these services is described in more detail in the following paragraphs.

- **Marine Operations Engineering**

Across all sectors of the marine industry, the requirements of marine operations drive the design and capability of vessels and equipment. Longitude's wide experience of marine projects and access to the latest methods and technologies allows us to produce engineering, method statements and detailed procedures for all types of marine operation.

We work closely with marine contractors and therefore, we are familiar with the operating capabilities of the available marine fleet in both local and global markets. We also work closely with our clients' Marine Warranty Surveyors, to help them obtain approval for their operations.

- **Marine Design, Upgrade & Conversion**

We have specialist teams focused on different aspects of marine design from the concept to construction of high-speed composite craft, to offshore construction ships and maritime civil structures and foundations. We bring a combination of technical design expertise, cross-market sector operational knowledge and a deep understanding of classification societies enabling us to deliver fit-for-purpose designs.

We develop concepts for specialist or one-off complex vessels, produce drawings, develop designs, manage the tenders for construction and then supervise and monitor these on behalf of our clients.

- **Clean Shipping**

At Longitude Engineering, we assist and support our clients on their journey through the Energy Transition by reducing the environmental impact of their assets. We work on projects utilizing technology including:

- Alternative fuels
- Hybrid power systems
- Ballast water treatment system retrofit
- Exhaust gas cleaning
- Power system optimization
- Reduced power use

Our independence and size allow us to provide the best advice for our clients without compromise in areas which are groundbreaking.

- **Site Investigations**

The combined expertise and experience of Longitude's geotechnical engineers, coastal engineers and metocean specialists, enable us to offer a full range of engineering consulting services for the detailed assessment of relevant conditions at any given site, proposed for offshore renewables and oil and gas projects, as well as to provide services for cable, umbilical and pipeline routing and burial.

Our key services include: Cable & Pipeline Routing, Site Characterization, Survey Management, Seabed Morphology and Metocean Analysis.

- **Advanced Analysis & Simulation**

We address the complex problems that our clients encounter and this requires us to maintain advanced analytical capabilities. We hold perpetual software licenses which we run on high-performance computer clusters and have highly trained staff to undertake activities including:

- Advanced finite element analysis
- Dynamic simulations
- Multibody hydrodynamics
- Computational fluid dynamics

AGR

With the acquisition of the AGR Group, its operations are being integrated with the former Wells division in Add Energy, together forming a new business segment within the Company. These are the services offered by this segment.

RESOURCE SOLUTIONS / AGR CONSULTANCY

AGR places proven specialists throughout the energy sector, supplying candidates for contract and permanent positions globally. We offer decades of experience in sourcing people who match the unique

needs of each project. These are candidates we're proud to recommend, people our clients know they can count on, because we trust them implicitly.

With our recruitment and staffing expertise, energy businesses around the world benefit from the flexibility, skills and experience needed to overcome challenges and seize new opportunities.

Over 45 organisations in more than 100 locations worldwide trust us as their recruitment partner. They receive proven consultants and carefully assembled teams designed to deliver projects across all stages of energy planning, execution, reporting and maintenance. These aren't just selected from the best and most experienced people in the industry they are exactly the right people for that assignment.

We place individuals and teams operating across the full spectrum:

- **Subsurface:** Geologists, Petrophysicists, Geophysicists, Geoscientists, Petroleum Engineers, Production Technologists, Reservoir Engineers
- **Engineering:** Drilling, Completions Interventions, Subsea, Well Test, Electrical, Mechanical, Piping & Facilities
- **HSEQ:** Onshore Advisors, Offshore Advisors, QA/QC
- **Operations:** Drilling Supervision, Completions Supervision, Subsea Supervisors, Intervention Supervisors
- **Supply Chain:** Contracts, Logistics, Procurement, Base Management, Materials
- **Management:** Drilling, HSEQ, Project Management
- **Admin / Support:** HR, Cost Control & Accounting, Document Control

WELL MANAGEMENT & ENGINEERING

Wells are at the core of AGR's business. Our mission is to optimise the value of well related operations for clients, right across the asset life cycle from exploration to appraisal, development operations, and decommissioning.

Our experience has been earned working with every type of company, whether small independent operators, investors, government agencies or major well-known energy organisations.

We operate within a rigorously developed Well Delivery Process (WDP) to ensure compliance and quality. We also deliver game-changing efficiencies through our own well data intelligence software. Our portfolio of iQx™ platform applications create opportunities for energy companies to benefit from the significant advances being made in automating well time, risk and cost planning, tracking, experience storing, rig scheduling and reporting.

Services include:

- Well management
 - Well Design & Operations
 - Planning and Execution
 - Well Integrity Management
 - Well Operation & Maintenance

- Well Intervention & Workover
- Well Decommissioning
- Contracting Models
- Well Engineering
 - Design Studies
 - Peer Reviews
 - Due Diligence
 - Drilling Management Systems & Documentation
 - Well Cost & Time Estimation
- Supply Chain, Logistics and Contracts
 - Rig Selection Procurement & Intake
 - Tendering, Contracting & Supply Chain Management
 - Desktop Logistics Studies
 - Contracting Models
 - HSEQ

WELL CONTROL

Through the acquisition of Add Energy (as further described in section 5.13.1), the Company increased its competitive strength within well control services including well contingency planning and well kill support.

We develop detailed blowout contingency plans that meet operator specific requirements and governmental regulations and standards (e.g. NORSOK D-010). Blowout contingency plans will typically include identification of potential scenarios with evaluations of intervention methods, mitigation options and kill requirements.

We also perform various simulations, audits, detailed planning and training programs to optimise operators' abilities to prevent and react to well blowouts.

If blowouts occur, the Company provides Well Kill support. Our experts have provided Well Kill support and strategic advice on more than 70 incidents, including the Montara, Macondo, Elgin and the Porter Ranch blowouts.

The Company also provides operators access to the Relief Well Injection Spool (RWIS), a patented piece of specialist subsea equipment that enables operators to stop a blowout from prolific reservoirs safely and efficiently via a single relief well.

RESERVOIR MANAGEMENT

Over three decades, AGR has built an independent Reservoir Management and Asset Evaluation team to deliver integrated full field studies and stand-alone studies. These studies can be fully outsourced to our team, conducted at client premises or managed virtually, by client and AGR experts.

The quality of our services is assured by the exceptional experience of our people. The insight our specialists bring to each project delivers efficiency and value. Our engineers are team players too, ready to collaborate and work within subsurface, operations and facilities departments.

Services include:

- Reservoir Management & Subsurface
 - Geology
 - Geophysics
 - Petrophysics
 - Reservoir Engineering
 - Production Technology
 - Petroleum Economics
 - Depth Conversion & Velocity Modelling
- Asset Evaluations and Reserves
 - Reserves Audits and Certifications
 - Competent Persons Report – CPR
 - Data Room
 - Environment & Sustainability

WELLSITE & OPERATIONS GEOLOGY

With a long and successful history dating back to 1997, AGR's Operations & Wellsite Geology business is a trusted partner to clients in exploration and production drilling.

We boast one of the largest and most established teams of experts, comprising permanent staff and associates with extensive experience in the North Sea as well as global energy hubs.

Services include:

- Operations Geologist
 - All aspects of well planning
 - All stages of the pre-drilling programme and all pre-spud activities
 - The full range of operations in the drilling phase and post-drilling activities
 - In well operation centres, clients receive geologists experienced in manning operations 24/7
 - In post-drilling support services we cover the preparation and production of final well reports and completion logs

- Geomechanical modelling and 4D seismic services are delivered by our integrated team of geologists, geophysicists and geomechanics experts.
- Wellsite Geologist
 - Pre-drill meetings
 - Lithological evaluation
 - Formation pressure sampling and evaluation while drilling
 - Geosteering long reach wells
 - Geosteering long reach, multilateral wells
 - Drilling of deep-water wells
 - Supervision of coring and wireline operations
- Formation Pressure Specialist
- Pore-Pressure Prediction and Geomechanics

SOFTWARE

AGR develops and provides a suite of software to increase automation & workflow efficiency in industrial operations, mainly applied to well delivery (cost & time planning, tracking, saving lessons learned, rig scheduling). These main software suite delivered by AGR is the iQx software suite:

- P1 / P1ANS – Probabilistic Time and Cost estimation
 - The P1 module applies a Monte Carlo probabilistic stochastic modelling approach to account for well time and costs uncertainties. It is used for all different types of well operations in multiple spheres, including drilling, completion, well intervention, slot recovery and decommissioning. The module has an intuitive user interface, and users may bulk upload user data from numerous sources. The simulated time and costs estimates are easily transferred into the CT module when the project moves from planning to operations. P1ANS is the newly release next-generation version of this software.
- CT – Actual Time & Cost tracker
 - AGR's intelligent real-time cost and time tracker ensures there are no nasty surprises. It replaces spreadsheets with cloud-native access to the most recent operational time and cost data – all tracked in one place. It has an open interface, connecting to other systems to realise seamless workflows for customers. The module has easy rights administration, both for adding and removing project members
- EX – Experience Tracking
 - The Experience Tracking module facilitates the gathering, storage and analysis of experiences and lessons learned – enabling customers to repeat successes and learn from mistakes. It replaces disconnected spreadsheets with joined up collaboration, minimizing human errors and ensuring motivation for working with optimised learning across the organisation. All experiences are linked to projects, so they will all be visible in the D2 tool.
- D2 – Documentation Generating Collaboration Tool

- The D2 tool is a cloud-based document generation tool for all report writing needs. It allows collaboration between internal and external users before, during and after projects. Note that the D2 tool will be replaced by a new module called IQX Docs
- Rig – Rig scheduling made simple
 - The Rig module was created to provide customers with a tool to manage the entire rig portfolio in one place, enabling full transparency on the rig schedule across the organisation. Users may test what-if scenarios and alternative rig optimisations through drag-and drop functionality.

AGR Software also delivers two other software offerings:

- hiQbe® is AGR's velocity cube for depth conversion. It enables operators to dramatically improve how the exploration potential of new and existing assets is measured.
- reStore™ is a powerful cloud-based tool for storing vital oil and gas reserves and resources information. It provides the users with a complete and real-time asset evaluation and provides critical insight to assist decision making and reporting.

5.7 Customers

The Company has a diverse client base comprising the following types of companies

- National Oil Companies (“**NOCs**”) and Independent Oil Companies (“**IOCs**”): clients include amongst others Equinor, Aker BP, Vår Energi, ONGC, Saudi ARAMCO, Shell, Chevron, BP and Premier Oil, Conoco Phillips, Inpex and Exxon Mobil
- Rig and vessel owners: clients include amongst others companies such as Seadrill, Saipem, Shelf Drilling, Noble Drilling, Borr Drilling, Maersk Drilling, Ensco, Tidewater, Posh Teresea, Seajacks, A2Sea and Teras Offshore
- Shipyards: clients include amongst others Samsung Heavy Industries, Hyundai Heavy Industries, Lamprell and MMHC
- Offshore contractors: clients include amongst others Technip, Saipem, MODEC, QGI, Hyundai, Hereema and Petrofac
- Financial institutions and investors: clients include amongst others ABN-AMRO, DNB and ING.
- Offshore wind farm developers: clients include amongst other Mainstream Renewable Power and Orsted
- Utility companies: clients include amongst other RWE, Iberdrola, Trianel and Vattenfall
- Underwriters: clients include amongst others Chaucer, XL Catlin, Starstone, Chubb, Zurich, Swiss Re, Beazley, Aspen, Markel, Axis, Gard and QBE

The Company's wide customer base and product offering means its business model is, in general, not dependent upon any key customers or any key segments of the industry. The Company has exposure to a wide range of niche segments within the marine, offshore and renewable industry, with a broad portfolio of customers across the global oil and gas regions, as well as the global offshore renewable market.

5.8 Factors affecting the Group

The Group's business and operations, including the demand for its services, will over time be affected by various factors including the following:

- The level of activity and capital spending by oil & gas and offshore companies as this affects the demand for the Group's services.
- Public emphasis on sustainable energy sources and political dedication to the use of clean and sustainable energy sources driving investments in offshore wind parks globally, as this affects the demand for the Group's services.
- Economic fluctuations: The energy sector is exposed to the general global economic environment. An economic downturn could e.g. reduce the availability of credit to fund the marine and offshore business operations globally, and hereby reduce the demand for the Group's services.
- Industry competition: The global offshore consultancy market is highly competitive, and any new competitors entering the market, or e.g. new pricing or product initiatives from existing competitors, may have an effect on the Group.
- Political- and regulatory amendments: Any changes in the political, legislative, fiscal and/or regulatory framework governing the activities of the Group and/or its customers could have a significant impact on the Group's offshore operations.
- Access to competent personnel, resources and customers: The current market for attracting highly qualified engineers is challenging and thus affects the Group, as it is dependent on retaining and recruiting highly skilled employees. Any major changes in the availability of qualified mariners and engineers in the regions in which the Group operates will affect the company.
- Demand fluctuations related to seasonality: the Group's business is seasonal in certain parts of the world. Many of its customers reduce demand for the Group's services during the winter months, hurricane seasons or monsoon periods due to the possibility of adverse weather conditions.

Investors should also note that any potential future changes in the regulatory framework legislation applicable to the Group, in particular tax legislation in the various jurisdictions in which the Group operates, could have a material effect on the Group's business, financial position and results.

5.9 Trend information and external factors

The offshore wind industry, our core renewables market, is expected to continue to grow rapidly. We have seen progress towards opening new global markets to offshore wind, and with an increasing number of developers, new investors and new geographies, the consultancy market is expected to grow significantly in the short and long term. The early development work which represents OWC's core business continues to grow at pace, and the offshore installation activity which drives our offshore wind marine warranty survey work is expected to return to growth in 2023.

In our oil and gas market we have, during 2022, seen significant improvements in opex driven work related to existing fields with ongoing extraction activities, and expect this to improve further in 2023. On the other hand, capex driven services related to new oil and gas fields without existing extraction activities have been slower to pick up, but we expect significant improvements through 2023 and towards a very active 2024.

We expect to retain our strong position in our maritime markets. These markets are long term stable and move in tandem with global shipping activity, but short-term development remains largely event driven and difficult to forecast.

5.10 Significant changes

There have been no significant changes in the financial position or performance of the Group since 31 March 2023, and the Company is further not aware of any significant changes impacting its operations and principal activities since 31 March 2023, except for the acquisition of the AGR Group, as further set out below in section 6.

5.11 Property, plants and equipment

The Group's most important assets are the employees, see Section 9 "Board of directors, management, employees and corporate governance" below.

Fixed assets are mainly made up of equipment acquired to render services, and consists of office related equipment as software, computer hardware and furniture.

The Company leases its offices and most of the leases are under 12 months in length. The annual leases for the current office network are USD 3.5 million.

5.12 Legal proceedings

From time to time, the Group is involved in litigation, disputes and other legal proceedings arising in the normal course of its business. However, neither the Company nor any other company in the Group have been involved in any legal, governmental or arbitration proceeding during the course of the preceding twelve months, which have had significant effects on the Company's financial position or profitability, and the Group is not part to any legal proceedings which are considered to have significant effects on the Group's financial position or profitability. Further, the Group is not aware of any pending or threatening proceedings that may have significant effects on the Company's financial position or profitability.

5.13 Material contracts

5.13.1 Add Energy Transaction

On 10 July 2022, the Company acquired 100% of the share capital of Add Energy Group AS ("**Add Energy**"), an energy and engineering consultancy providing solutions and specialized consultancy services to the energy industry, both within renewable and traditional offshore activities (the "**Add Energy Transaction**").

The consideration payable by the Company under the Add Energy Transaction was settled by a minor cash consideration to the sellers. In connection with the transaction, the Company also entered into an agreement to acquire substantially all interest-bearing debt in Add Energy and to settle the outstanding amount thereunder by the issuance of 1,582,279 new shares in the Company to Add Energy's main lender, each at a subscription price per share of NOK 12.64.

5.13.2 Sale of Adjusting Business

On 1 June 2022, the Company completed an agreement to sell its loss adjusting business (the "**Adjusting Business**") to the management group of the Adjusting Business. The Adjusting Business provides loss adjusting and dispute resolution services to the global insurance market through offices in London, Singapore, Jakarta, Kuala Lumpur, Houston, Calgary, Mexico City and Dubai. The Adjusting

Business generated revenues of approximately USD 10 million in 2021, predominantly from the oil and gas sector.

The enterprise value of the transaction was approximately USD 6.0 million, and was settled with a combination of cash, a sellers' credit and the Company's retention of the majority of the accounts receivables related to the Adjusting Business.

5.13.3 Other contracts

Other than the Transaction, which is described in Section 6 "Acquisition of the AGR Group", and the transactions described in this section 5.13, neither the Company nor any member of the Group has entered into any material contracts outside the ordinary course of business of the Group for the two years immediately preceding the date of this Prospectus, and no member of the Group has entered into any contracts outside the ordinary course of business of the Group containing obligations or entitlements that are, or may be, material to the Group as of the date of this Prospectus.

The Group has contractual obligations with various companies in the offshore and renewable industry concerning engineering and consultancy services. The Group's contracts are generally structured in line with industry standards. The Group has few long term contract specific commitments, but holds many call out contracts. The Group is dependent on continuously winning and retaining business. Furthermore, the Group's contract structure implies that there is limited visibility, in this current weaker trading market, for the Group's future revenue.

5.14 Investments

Other than the Acquisition of the AGR Group (as further described in section 6 below), the Group has not made any material investments since the date of the Financial Statements.

5.15 Related party transactions

The Group has not entered into any related party transactions in the period between 31 December 2022 and to the date of this Prospectus.

5.16 Sanctions

The Group operates in countries which may be subject to trade embargoes and sanctions. As the Group is heavily dependent on its ability to move personnel and goods to conduct its core business, the Group must pay high attention to any changes or developments in the current applicable regimes. Further, there can be no assurance that relevant sanction regimes will not be expanded to include other countries in which the Group operates, and any such development is outside the Group's control. Failure to comply with sanctions could result in material fines and penalties, and severely damage the Group's reputation.

5.17 Research and development, dependency on contracts, patents, licenses etc.

In the normal course of business the Group enters into numerous contracts, but the Company is not materially dependent upon any single contract. In the Company's opinion, the Group's existing business or profitability is not dependent on any patents. The Group is dependent on trade licenses to offer its services in certain jurisdictions in the Middle East and Asia Pacific which are important markets for the Group. The Group is not materially dependent on research and development activities.

6. THE ACQUISITION OF AGR GROUP

This Section provides information about the prospects of the results of the Transaction and its expected implications on the Group and should be read in conjunction with the Prospectus, in particular Section 5 "Presentation of the Group", and Section 7 "Unaudited Pro Forma Financial Information". The following discussion contains Forward-looking Statements that reflect the Company's plans and estimates. Factors that could cause or contribute to differences for these Forward-looking Statements include, but are not limited to, those discussed in Section 2 "Risk factors" and 4.6 "Forward-looking Statements".

6.1 Overview

On 20 March 2023, the Company entered into a share purchase agreement regarding the acquisition of 100% of the shares in AGR AS, being the parent company of the AGR Group (the "**SPA**"). Completion of the Transaction took place on 18 April 2023.

6.2 The parties to the Transaction

The SPA was entered into by the Company as purchaser of 100% of the shares in AGR AS from RGA Energy Holdings AS, ultimately owned by Akastor ASA.

6.3 Background and reasons for the Transaction

The Transaction is an important step to implement the Company's stated strategy of consolidating related niches of the marine and energy consultancy industry. The acquisition of AGR strengthens ABL Group's position in well and reservoir consultancy, further building on the previous purchase of Add Energy in 2022. Moreover, the acquisition enhances our position within digitalisation and energy transition solutions, and expands our services with a resourcing offering that is already well established in the oil and gas sector and positioned for growth within offshore wind. Further, the Transaction will support the Company's ambition of consistently returning capital to its shareholders.

6.4 Description of the Transaction

The Company entered into an agreement to acquire 100 percent of the shares in AGR AS from RGA Energy Holdings AS (the "**Seller**"), ultimately owned by Akastor ASA.

The consideration paid by the Company to the Seller consisted of a cash consideration in the amount of NOK 5,324,945 and the issuance of the Consideration Shares as consideration shares.

Upon closing of the Transaction, the Consideration Shares were transferred to the Seller's beneficial owners, being Akastor AS, DNB Bank ASA, and Nordea Bank Abp, filial i Norge.

The Consideration Shares are issued on a separate ISIN (ISIN NO0012895202) pending publication of this Prospectus upon which they will be transferred to the Company's listed ISIN (ISIN NO0010715394), be automatically listed on Oslo Børs and subject to trading along with the other shares of the Company without the need for any formal application or approval process.

The Seller, together with its beneficial owners, being Akastor AS, DNB Bank ASA, and Nordea Bank Abp, filial i Norge (the "**Selling Parties**"), have entered into lock-up undertakings relating to the Consideration Shares. Pursuant to the lock-up undertakings, the Selling Parties undertake that they will not, without the prior written consent of the Company, during the period up to and including the date falling 12 months from the closing of the Transaction, directly or indirectly, (i) sell, offer or enter into any agreement to sell or to dispose of Consideration Shares or any securities convertible into or exercisable or exchangeable for Consideration Shares, or warrants or other rights to purchase Consideration Shares, (ii) enter into any swap or other arrangement that transfers to another, in whole

or in part, any of the economic consequences of ownership of Consideration Shares or any securities convertible into or exercisable or exchangeable for Consideration Shares, or warrants or other rights to purchase Consideration Shares, whether any such transaction is to be settled by delivery of Consideration Shares or such other securities, in cash or otherwise, (iii) market or otherwise seeking investor interest for its Consideration Shares, or conducting any bookbuilding exercises for any sale of Consideration Shares, or (iv) agree or publicly announce an intention to effect any transaction specified in (i), (ii) or (iii) above. Any request for the Company's consent to any of the actions set out in (i) – (iv) above will, be subject to a concrete assessment.

6.5 Warranties of the Seller

The SPA contains warranties to the benefit of the Company customary for a transaction of this size and nature.

6.6 Financing of the Transaction

The Transaction was settled through the issuance of the Consideration shares and existing cash, as described in 6.4 "Description of the Transaction". Total Leakage as per the SPA at the time of closing amounted to NOK 75,110,195 and comprise the following:

- NOK 2.8 million in deduction for AGR Software AS minority interest (9%)
- NOK 60 million in repayment of shareholder loan from RGA Energy Holdings AS (previously loan to Akastor, DNB and Nordea)
- NOK 3.5 million in loans to Føn Energy under its credit facility with AGR (carved out entity)
- NOK 6.8 million in interest payment on term loans to Akastor, DNB and Nordea
- NOK 1.6 million in payment on guarantee and other bank fees to Nordea
- NOK 0.4 million in transaction costs

As a consequence of the identified Leakage per closing, the net cash consideration paid to the Sellers amounted to NOK 5,324,945.

6.7 Agreements entered into for the benefit of the managers and directors

No agreements have been entered into by the Company in connection with the Transaction for the benefit of any board members or senior employees in the Company, or for the benefit of any senior employees in AGR Group.

6.8 The Group following the Transaction

AGR Group was acquired by the Company on 18 April 2023, and the integration of the AGR Group's business with the Company's existing business units commenced on the same date.

This transaction is an important step to implement the Company's stated strategy of consolidating related niches of the marine and energy consultancy industry. Further, the transaction will support the Company's ambition of consistently returning capital to its shareholders. While mainly an O&G acquisition, bringing AGR into ABL Group gives the Company the opportunity to build on AGR's resourcing solution platform. The ambition is to grow this business to support the talent shortage in renewables, especially offshore wind, as we gear up for 2030 and beyond. We also see significant opportunities to grow key parts of the AGR business rapidly in the Energy Transition market, by adding

significant additional CCUS, geothermal, hydrogen and deep-sea mineral mining expertise to our energy transition offering.

6.9 Strengths and strategies following Completion of the Transaction

While both the AGR AS and the Company operate within the same overall market, the two businesses are rarely direct competitors. The businesses' relative strengths in terms of geographical coverage and service offering are different, making the two businesses highly complementary. In particular, the Transaction will significantly strengthen the Company's position in well and reservoir management engineering and consultancy services, asset evaluations and operations as well as wellsite geology, adding to our Add Energy capability and offerings.

The transaction will further bring significant additional software and digitalisation products, giving ABL Group the ability to scale in digital products and development. It will also add to the Company's CCUS, geothermal, hydrogen and deep-sea mineral mining expertise, supporting the global energy transition offering. AGR also brings a well-managed resourcing (permanent and contract roles) solution, already an established O&G partner, but with strong growth opportunities within low carbon industry and the renewable energy sector, especially offshore wind. In total, the acquisition will accelerate ABL Group's growth in renewables and energy transition related services, in line with the Company's stated ambition to have 50% renewables and sustainability-driven services in the business mix by 2025.

6.10 The Transaction's significance for the Group's earnings

The Transaction is expected to have a significant impact on the Group's earnings, as further described in Section 7 "Unaudited Pro Forma Condensed Financial Information". On a pro forma basis, total revenue would have increased from USD 168 million for the Group for 2022 (as reported in the Financial Statements) to USD 259 million on a pro forma combined basis, including also the impact from Add Energy AS in H1'22 (USD 248 million on a combined basis excluding Add Energy H1'22 impact).

For a further description of the pro forma figures and the basis for such figures, see Section 7 "Unaudited Pro Forma Condensed Financial Information".

7. UNAUDITED PRO FORMA CONDENSED FINANCIAL INFORMATION

7.1 Introduction

The Company acquired certain entities during 2022 and 2023, as follows:

- Acquisition of all the shares in Add Energy AS (“**Add Energy**”) in July 2022 (as further described in section 5.13.1). Add Energy became a wholly owned subsidiary of the Company and the Company started to consolidate this entity into the Group from the acquisition date. For further information on the purchase price consideration and preliminary purchase price allocation, please refer to note 7 of the Company’s audited financial statements for the year ended 31 December 2022.
- Acquisition of all the shares in AGR AS from RGA Energy Holdings AS (the “**Seller**”), a subsidiary of Akastor ASA, completed on 18 April 2023 (the “**Transaction**”). AGR became a wholly owned subsidiary of the Company and the Company started to consolidate this entity into the Group from the acquisition date. For further information on the purchase price consideration and preliminary purchase price allocation, please refer to Section 7.1.8 “Purchase Price Allocation (“PPA”) –Transaction” herein.

The Transaction represented a “significant gross change” and triggered the preparation of pro forma financial information in accordance with Annex 20 to Commission Delegated Regulation (EU) 2019/980. Further and by way of aggregation, the pro forma financial information will also reflect the Add Energy Transaction.

No pro forma statement of financial position has been prepared for the Add Energy Transaction as it was completed before the year ended 2022 and is fully reflected in the consolidated statement of financial position of the Company as of 31 December 2022.

The Add Energy Transaction and the Transaction are together referred to as the **Transactions**.

7.2 Cautionary Note Regarding the Unaudited Pro Forma Condensed Financial Information

The unaudited pro forma condensed financial information has been prepared for illustrative purposes only to show how the Transactions might have affected the Company’s consolidated statement of income for the year ended 31 December 2022 as if the Transactions had occurred on 1 January 2022 and the consolidated statement of financial position as of 31 December 2022, as if the Transaction occurred on that date.

The unaudited pro forma condensed financial information is based on certain management assumptions and adjustments made to illustrate what the financial results of the Group might have been, had the Company completed the Transactions at an earlier point in time.

Because of its nature, the unaudited pro forma condensed financial information addresses a hypothetical situation, and therefore, does not represent the Group’s actual financial position or results if the Transactions had in fact occurred on those dates, and is not representative of the results of operations for any future periods. It should be noted that greater uncertainty is associated with unaudited pro forma condensed financial information than actual historical financial information. Investors are cautioned against placing undue reliance on this unaudited pro forma condensed financial information.

The unaudited pro forma adjustments are based on information currently available. The assumptions underlying the pro forma adjustments applied to the historical financial information are described in the notes to the unaudited pro forma condensed financial information. Neither these adjustments nor the

resulting unaudited pro forma condensed financial information have been audited in accordance with Norwegian or United States generally accepted auditing standards. In evaluating the pro forma financial information, each reader should carefully consider the historical financial statements of the Group and the notes thereto and the notes to the unaudited pro forma condensed financial information.

It should be noted that the unaudited pro forma condensed financial information was not prepared in connection with an offering registered with the U.S. Securities and Exchange Commission ("**SEC**") under the U.S. Securities Act and consequently is not compliant with the SEC's rules on presentation of pro forma financial information (SEC Regulation S-X) and had the securities been registered under the U.S. Securities Act of 1933, this unaudited pro forma financial information, including the report by the auditor, would have been amended and / or removed from the Prospectus. As such, an U.S. investor should not place reliance on the Unaudited Pro Forma Condensed Financial Information included in this Prospectus.

7.3 Basis for preparation and accounting policies

The accounting policies (IFRS as adopted by EU, "IFRS") adopted in the preparation of the unaudited pro forma condensed financial information are consistent with those followed in the preparation of the Company's consolidated financial statements for the year ended 31 December 2022.

The Transactions are accounted for as acquisitions under IFRS 3 Business Combinations. The principles of valuation and allocation as described in IFRS 3 are applied.

The unaudited pro forma condensed financial information has been compiled based on the Company's audited consolidated financial statements for the year ended 31 December 2022 which were prepared in accordance with IFRS, the management accounts for Add Energy for the period from 1 January 2022 to 11 July 2022 (the date of acquisition and consolidation of Add Energy) which were prepared in accordance with IFRS, and the management accounts for AGR for the year ended 31 December 2022, prepared in accordance with IFRS.

The management accounts for both AGR and Add Energy are originally reported in NOK (Norwegian currency). These have been converted to USD with the foreign exchange rates as described in Section 7.7.1 "Foreign exchange rates". The foreign exchange rates are sourced from Xignite – <https://www.xignite.com> – which are the same exchange rates used by ABL Group ASA in the preparation of its financial statements.

For the purpose of the preparation of the pro forma condensed financial information, the management of ABL has assessed whether the presentation of the financial information of Add Energy and AGR are consistent with the consolidated financial statements of the Company. Based on the analysis performed, certain reclassifications have been performed for the AGR financial information to comply with the presentation of ABL consolidated financial statements. There were no other differences identified for the purpose of the preparation of the pro forma condensed financial information. Those reclassifications are further explained in Section 7.5.1 "Unaudited pro forma condensed statement of income for the year ended 31 December 2022".

The unaudited pro forma condensed financial information does not include all the information required for financial statements under IFRS and should be read in conjunction with the historical information of the Company.

The unaudited pro forma condensed financial information has been prepared under the assumption of going concern.

The pro forma adjustments in respect of the pro forma condensed statement of income have all continuing impact, unless otherwise stated.

The unaudited pro forma condensed financial information has been compiled to comply with the requirements of the Norwegian Securities Trading Act by reference to the EU Prospectus Regulation regarding information contained in prospectuses as well as the format, incorporation by reference and publication of such prospectuses and dissemination of advertisements.

7.4 Independent practitioner’s assurance report on the compilation of pro forma financial information included in a prospectus

With respect to the unaudited pro forma condensed financial information included in this Prospectus, PricewaterhouseCoopers AS (“**PwC**”) applied assurance procedures in accordance with ISAE 3420 “Assurance Engagement to Report Compilation of Pro Forma Financial Information Included in a Prospectus” in order to express an opinion as to whether the unaudited pro forma condensed financial information has been properly compiled on the basis stated, and that such basis is consistent with the accounting policies of the Company. PwC has issued an independent assurance report of the unaudited pro forma condensed financial information. There are no qualifications to this assurance report.

7.5 Unaudited pro forma condensed financial information

7.5.1 Unaudited pro forma condensed statement of income for the year ended 31 December 2022

The table below sets out the unaudited pro forma condensed statement of income for the year ended 31 December 2022, as if the Transactions had occurred on 1 January 2022.

	Unadjusted financial information			IFRS reclassifications	Pro forma adjustments		Pro forma Group
	ABL Group ASA	AGR AS	Add Energy AS		(unaudited)	Note	
<i>Amounts in USD thousand</i>	<i>(audited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>		<i>(unaudited)</i>
Revenue	167 897	80 004	11 303	-	-		259 204
Total revenue	167 897	80 004	11 303	-	-		259 204
Operating expenses	152 041	73 783	12 441	250	631	1, 6	239 146
D&A and impairment	3 342	1 488	807	-	708	4, 5, 7	6 345
Operating profit (loss)	12 514	4 733	(1 945)	(250)	(1 339)		13 714
Net financial expenses	1 860	2 062	1 838	(250)	(1 837)	2, 3	3 675
Profit (loss) before income tax	10 654	2 670	(3 783)	-	498		10 039
Income tax expenses	4 401	262	-	-	198	2, 4, 5, 7	4 861
Profit (loss) after tax	6 253	2 408	(3 783)	-	300		5 178

In connection with the preparation of the pro forma condensed statement of income, the following IFRS reclassifications have been performed:

IFRS Reclassifications

AGR AS has historically recorded management fee of NOK 2 million (USD 208 thousand) and guarantee costs of NOK 0.4 million (USD 42 thousand) as part of net financial expenses. To ensure consistency with the Company’s accounting treatment of such items, these have been reclassified from net financial expenses to operating expenses.

In connection with the preparation of the pro forma condensed statement of income, the following pro forma adjustments have been made:

Pro forma adjustment 1: Transaction costs

Pro forma adjustment 1 reflects the estimated transaction costs in connection with the AGR acquisition which were not accrued for as of 31 December 2022, amounting to NOK 6.4 million (USD 670 thousand). These transaction costs are assumed to be non-tax deductible and no tax adjustments have been performed. This pro forma adjustment 1 has no continuing impact.

Pro forma adjustment 2: Interest expenses AGR loan

As part of the Transaction, a shareholder loan from Akastor ASA and financial loans from the banks DNB and Nordea were converted to equity and settled prior to closing. In 2022, the historical interest expenses incurred by AGR on these loans amounted to NOK 4.1 million (USD 430 thousand) and NOK 12.5 million (USD 1.3 million), respectively and totalling NOK 16.6 million (USD 1 733 thousand).

The pro forma adjustment 2 removes the total historical interest expense of USD 1 733 thousand. This results in an increase in income tax expenses estimated to be USD 381 thousand, calculated as 22% (Norwegian corporate tax rate) of the adjustment for interest expense.

This pro forma adjustment 2 does not have continuing impact.

Pro forma adjustment 3: Interest expenses Add Energy loan

In July 2022 and in connection with the acquisition of Add Energy AS, the overdraft facility used by Add Energy in DNB was settled. Prior to the acquisition, the interest expenses related to this overdraft facility amounted to NOK 946 thousand (USD 104 thousand).

Pro forma adjustment 3 removes those historical interest expenses of USD 104 thousand. Add Energy was not in a tax position in 2022 and no adjustments to income tax expenses have been performed for pro forma purposes.

This pro forma adjustment 3 does not have continuing impact.

Pro forma adjustment 4: Amortisation of intangible assets, Transaction

Pro forma adjustment 4 reflects the effects of amortisation related to identified excess value of customer relations in connection with the purchase price allocation (the "PPA") of AGR AS. The pro forma adjustment for amortisation of customer relations is based on an amortisation profile of 3-10 years and amounts to NOK 9 456 thousand (USD 984 thousand). This results in a decrease in income tax expenses estimated to be USD 248 thousand, corresponding to 25% (representing blended tax rate of the corporate tax rate in the relevant jurisdictions customer relations are allocated to) of the pro forma adjustment for amortisation. For further details, see also Section 7.1.8 "Purchase Price Allocation ("PPA") - Transaction".

Pro forma adjustment 5: Amortisation of intangible assets, Add Energy Transaction

Pro forma adjustment 5 reflects the effects of the PPA on Add Energy AS, where it was identified excess value of NOK 15 778 thousand related to the fair value of intangible assets. The excess value relates to customer relations and intellectual property (see note 7 of the ABL annual report). With an amortisation profile of 5-15 years on customer relations (depending on business unit) and 15 years on the RWIS IP, the pro forma amortisation of these intangible assets is estimated to be NOK 729 thousand (USD 80 thousand). This results in a decrease in income tax expenses estimated to be USD 19 thousand,

corresponding to 24% (representing blended tax rate of the corporate tax rate in the relevant jurisdictions) of the pro forma adjustment for amortisation.

Pro forma adjustment 6: AGR transaction costs covered by the Seller

Pro forma adjustment 6 reflects the reversal of transaction costs in AGR that were not accrued for as 31 December 2022 (reference to Pro forma adjustment 1). This amounts to NOK 379 thousand (USD 39 thousand) and is reversed due to being covered by the Seller in connection with the closing of the Transaction. There is no tax effect related to this adjustment as it is related to non-tax-deductible item.

This pro forma adjustment 6 has no continuing impact.

Pro forma adjustment 7: Reversal of historical amortisation in intangible assets related to AGR

Pro forma adjustment 7 reflects the removal of historical amortisation in intangible assets in AGR, amounting to NOK 3 425 thousand (USD 357 thousand) in 2022. These have been replaced by corresponding amortisation in connection with the PPA (see Pro forma adjustment 4). This results in an increase in income tax expenses of NOK 800 thousand (USD 83 thousand), corresponding to 23% (representing blended tax rate of the corporate tax rate in the relevant jurisdictions) of the pro forma adjustment for amortisation.

This pro forma adjustment 7 has no continuing impact.

7.6 Unaudited pro forma condensed statement of financial position as of 31 December 2022

The table below sets out the unaudited pro forma condensed statement of financial position as of 31 December 2022, as if the Transaction had occurred on that date.

	Unadjusted financial information		Pro forma adjustments		Pro forma Group
	ABL Group ASA	AGR AS	Pro forma adjustments	Note	Pro forma Group
<i>Amounts in USD thousands</i>	<i>(audited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>		<i>(unaudited)</i>
ASSETS					
Non-current assets					
Property, plant and equipment	2 101	286	-		2 387
Right-of-use assets	7 904	1 327	-		9 231
Investment in associates	29	-	-		29
Goodwill and intangible assets	29 382	14 952	15 055	6, 7, 8	59 389
Deferred tax assets	1 744	3 795	-		5 539
Pension fund	-	(18)	-		(18)
Total non-current assets	41 160	20 342	15 055		76 557
Current assets					
Trade and other receivables	41 400	11 490	-		52 890
Contract assets	13 394	5 583	-		18 978
Cash and cash equivalents	30 974	6 336	(7 963)	2, 5	29 347
Total current assets	85 769	23 409	(7 963)		101 215
Total assets	126 928	43 751	7 092		177 722
EQUITY AND LIABILITIES					
Total Equity	68 427	(5 040)	35 214	1, 2, 3, 4, 5, 9	98 602

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	Unadjusted financial information		Pro forma adjustments		Pro forma Group
	ABL Group ASA	AGR AS			
<i>Amounts in USD thousands</i>	<i>(audited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>Note</i>	<i>(unaudited)</i>
Non-current liabilities					
Deferred tax liabilities	2 516	399	2 227	6, 7	5 143
Long term borrowings	-	31 010	(31 010)	1	-
Lease liabilities	6 922	765	-		7 687
Provisions and other payables	5 993	893	-		6 886
Total non-current liabilities	15 432	33 067	(28 782)		19 716
Current liabilities					
Trade and other payables	25 890	14 113	660	9	40 662
Contract liabilities	1 535	916	-		2 451
Short term borrowings	13 337	-	-		13 337
Lease liabilities	1 869	579	-		2 448
Income tax payable	439	117	-		556
Total current liabilities	43 069	15 724	660		59 454
Total liabilities	58 501	48 791	(28 122)		79 170
Total equity and liabilities	126 928	43 751	7 092		177 772

In connection with the preparation of the pro forma financial position, the following pro forma adjustments have been made:

Pro forma adjustment 1 – Debt conversion

Pro forma adjustment 1 reflects the conversion of shareholder loan from Akastor and financial loans from the banks DNB and Nordea. These loans, totalling NOK 302 417 thousand (USD 31 010 thousand), were converted to equity in AGR prior to the closing of the Transaction.

This pro forma adjustment 1 shows a reduction in long term borrowings with a corresponding increase in equity.

Pro forma adjustment 2 – Consideration for shares in AGR

Pro forma adjustment 2 represents the consideration for acquiring 100% of the shares in AGR AS, amounting to USD 31 096 thousand at the closing of the transaction.

The consideration for the shares in AGR AS is settled through i) issuance of 18,166,667 new ABL Group shares with a market value of USD 30 550 thousand which corresponds to the share price at closing (18 April 2023) and ii) a cash payment of NOK 5 325 thousand (USD 546 thousand).

As such, pro forma adjustment 2 shows an increase in equity of USD 30 550 thousand and a decrease in cash and cash equivalents of USD 546 thousand.

The cash payment reflects locked-box leakage of USD 7 702 thousand, whereas the cash payment agreed in the sales purchase agreement (“SPA”) was NOK 80 435 thousand (USD 8 248 thousand). Payments from AGR to Akastor, the Guarantor, DNB, Nordea or any of its Affiliates were defined as Leakage in the sales purchase agreement (“SPA”). The SPA also defined a price discount for the

minority interest in AGR Software AS, which will remain held by third party shareholders after the Transaction (USD 285 thousand), as Leakage. Other Leakage as identified per closing of the Transaction include repayment of debt (USD 6 152 thousand) to Akastor, DNB and Nordea, interest payments on the repaid debt (USD 700 thousand) and loans to carved out entities (USD 359 thousand). These are all items that relate to debt / loans outside of the transaction perimeter, hence defined as Leakage. There were also minor Leakage items related to various transaction costs and bank / guarantee fees to Nordea.

For further details, see Section 7.1.8 “Purchase Price Allocation (“PPA”) - Transaction”.

Pro forma adjustment 3 – Elimination of equity in AGR

The Company will account for the Transaction as an acquisition in accordance with IFRS 3. The equity and reserves of AGR AS (USD 5 040 thousand) will therefore no longer appear in the results of the Company following the acquisition and are reversed out as illustrated in Pro forma adjustment 3.

For further details, see Section 7.1.8 “Purchase Price Allocation (“PPA”) - Transaction”.

Pro forma adjustment 4 – Add-back of minority interest in AGR Software

Pro forma adjustment 4 reflects the non-controlling minority in AGR Software AS (subsidiary of AGR) that will remain held by third party shareholders after the Transaction, and which has been assessed at fair value of USD 285 thousand.

For further details, see Section 7.1.8 “Purchase Price Allocation (“PPA”) - Transaction”.

Pro forma adjustment 5 – Movements in AGR after 31 December 2022

Pro forma adjustment 5 relates to Transaction-related movements in AGR’s cash and equity between the management accounts per locked box date (31 December 2022) and closing of the Transaction (18 April 2023):

Adjustment 5a) reflects Leakage (cash outflows) identified at closing (18 April 2023). These movements amount to USD 7 417 thousand, and mainly comprise repayment of debt to third Akastor, DNB and Nordea, interest payments on the repaid debt and loans to carved out entities. The adjustment reduces cash and cash equivalents. For further details, see pro forma adjustment 2.

Adjustment 5b) reflects elimination of USD 31 010 thousand related to the debt-to-equity conversion as further described in pro forma adjustment 1 and which relates to AGR. The adjustment corresponds with the reversal of equity as described in pro forma adjustment 3 (“Elimination of equity in AGR”).

<i>Amounts in USD thousand</i>	Total pro forma adjustment
Leakage (see adjustment 5a above)	(7 417)
Elimination debt to equity AGR (see adjustment 5b above)	(31 010)

For further details, see Section 7.1.8 “Purchase Price Allocation (“PPA”) - Transaction”.

Pro forma adjustment 6 – Reset of existing goodwill and intangible assets in AGR

Pro forma adjustment 6 reflects the reversal of historical goodwill (USD 11 197 thousand) and customer relations and brand name (USD 1 159 thousand) in AGR totalling USD 12 356 thousand, which have been valued separately in connection with the purchase price allocation as further described in Section 7.1.8 “Purchase Price Allocation (“PPA”) - Transaction, and with a corresponding proforma reversal of deferred tax liabilities of USD 265 thousand.

Pro forma adjustment 7 – Allocation of excess value related to intangible assets

Pro forma adjustment 7 reflects the effects of the PPA in connection with the Transaction, where it was identified excess value allocated to intangible assets of USD 10 806 thousand (where USD 7 281 thousand relates to customer relations and USD 3 526 thousand relates to brand name). This resulted in an increase in deferred tax liability of USD 2 492 thousand (representing a blended tax rate of the corporate tax rate in the relevant jurisdictions the excess values were allocated to).

For further details, including fair value assessment of intangible assets from the purchase price allocation, see Section 7.1.8 “Purchase Price Allocation (“PPA”) –Transaction.

Pro forma adjustment 8 – Allocation of goodwill

Pro forma adjustment 8 reflects the effects of the PPA in connection with the Transaction where USD 16 605 thousand is allocated to Goodwill. For further details, see Section 7.1.8 “Purchase Price Allocation (“PPA”) - Transaction”.

Pro forma adjustment 9 – Transaction costs

Pro forma adjustment 9 reflects the estimated transaction costs which were not accrued for per 31 December 2022, amounting to NOK 6 438 thousand (USD 660 thousand), which is increasing trade and other payables with a corresponding adjustment within equity (reduction of retained earnings). Those transaction costs are deemed non-tax deductible and no tax adjustments have been performed.

7.7 Additional notes to the unaudited pro forma condensed financial information

7.7.1 Foreign exchange rates

For converting the NOK information relating to AGR AS and Add Energy AS to the Company’s reporting currency of USD, the Company has used the following exchange rates. The foreign exchange rates are sourced from Xignite – <https://www.xignite.com> – which are the same exchange rates used by ABL Group ASA in the reporting of financial statements.

Exchange rates	NOK / USD
Average for the year ended 31 December 2022 (applied for profit and loss information of AGR)	9.605
Average for the half year ended 30 June 2022 (applied for profit and loss information of Add Energy)	9.123
As of 31 December 2022 (applied for balance sheet financial information)	9.752

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7.7.2 Purchase Price Allocation ("PPA") –Transaction

The Company has performed a preliminary purchase price allocation (the "preliminary PPA") based on the management accounts for AGR for the year ended 31 December 2022 incorporating all relevant information currently available. The table below is the calculation of purchase price and excess value to be allocated:

Preliminary purchase Price Allocation ("PPA")

<i>Amounts in USD thousand</i>	Fair value
Cash Consideration	8 248
Convertible seller note / share consideration (valued at 18 April 2023) ¹⁾	30 550
Purchase price deduction ²⁾	(7 702)
Total consideration transferred	31 096
Fair value of non-controlling interests ³⁾	285
Net Assets in acquisition balance sheet as of 31 December 2022	(6 461)
Net excess value to be allocation	24 919

1) Issuance of 18,166,667 new ABL Group shares. According to IFRS, the value of the consideration shares shall be measured at market value at the time of the transfer (NOK 16.4 at 18 April 2023), hence deviating from what was agreed in the SPA (NOK 15). Each share has a nominal value of NOK 0.10 (USD 0.01).

2) Mainly comprise Deduction for minority interest in AGR Software AS (USD 285 thousand), repayment of debt (USD 6 152 thousand) to Akastor, DNB and Nordea, interest payments on the repaid debt (USD 700 thousand) and loans to carved out entities (USD 359 thousand). There were also minor Leakage items related to various transaction costs and bank / guarantee fees to Nordea.

3) Non-controlling interests have been assessed at fair value in accordance with IFRS 3.17 in the pro forma figures. The non-controlling interest relates to 9% of AGR Software AS, which remains held by third party shareholders after the Transaction.

Break down of net assets in acquisition balance sheet

<i>Amounts in USD thousand</i>	
Net assets in balance sheet as at 31 December 2022	(5 040)
Other Leakage as defined in the SPA ¹⁾	(7 417)
Debt converted to shares in AGR	31 010
Goodwill and customer relations as at 31 December 2022	(12 091)
Revised net assets as at 31 December 2022²⁾	6 461

1) Payments from AGR to Akastor, the Guarantor, DNB, Nordea or any of its Affiliates and transaction costs were defined as Leakage in the SPA. For further details, see pro forma adjustment 2 to the pro forma statement of financial position.

2) Revised net assets as at 31 December 2022 include the book value of non-controlling interest of NOK 2.5m (USD 250 thousand), relating to AGR Software AS. The fair value of the non-controlling interest is estimated to USD 285 thousand and is extracted from the excess value to allocate as part of the purchase price allocation table. The fair value is based on an independent valuation performed by AGR prior to the Transaction.

Allocation of excess value as per preliminary PPA

<i>Amounts in USD thousand</i>	Fair value
Customer relations	7 281
Brand name	3 526
Deferred tax	(2 492)
Goodwill	16 605
Total	24 919

8. CAPITALISATION AND INDEBTEDNESS

8.1 Introduction

The information presented below should be read in conjunction with other relevant sections of this Prospectus, in particular Section 6 "The Acquisition of AGR Group" and Section 7 "Unaudited pro forma condensed financial information".

This Section provides information about the Group's unaudited consolidated capitalisation and net financial indebtedness on an actual basis as at 31 March 2023. The capitalisation and indebtedness tables have further been adjusted to reflect the impact from AGR AS (management accounts for AGR AS for the year ended 31 December 2022 and pro forma adjustments applied to the relevant items, as described in 7.5 "Unaudited pro forma condensed financial information".

Apart from the closing of the Transaction, there have been no material changes to the Group's capitalisation and net financial indebtedness since 31 March 2023.

The management accounts for AGR AS are originally reported in NOK (Norwegian currency). These have been converted to USD with the foreign exchange rates as described in Chapter 7 Section 7.6 "Additional notes to the unaudited pro forma condensed financial information". The foreign exchange rates are sources from Xignite – <https://www.xignite.com> – which are the same exchange rates used by the Company in the reporting of financial statements.

8.2 Capitalisation

Statement of Capitalisation

<i>Amounts in USD thousand</i>	ABL Group ASA 31 March 2023¹⁾	Adjustments for the Acquisition²⁾	As adjusted as of the date of the Prospectus
Total current debt (including current portion of non-current debt)	44 003	16 384	60 387
Guaranteed	-		-
Secured ^(a)	14 009	579	14 587
Unguaranteed / unsecured ^(b)	29 994	15 806	45 800
Total non-current debt (excluding current portion of non-current debt)	14 450	4 285	18 735
Guaranteed	-		-
Secured ^(c)	6 544	765	7 309
Unguaranteed / unsecured ^(d)	7 906	3 520	11 426
SHAREHOLDERS' EQUITY	70 429	30 174	100 603
Share capital ^(e)	1 402	186	1 588
Legal reserves ^(f)	63 349	30 364	93 713
Other reserves ^(g)	5 678	(376)	5 302
Total capitalisation	128 882	50 843	179 725

1) The data set forth in this column are derived from the Group's Unaudited interim financial information for Q1 2023.

a) In ABL Group ASA, Current Secured debt comprises current lease liabilities with USD 1 678 thousand secured in the corresponding leased assets, and part of Short term borrowings whereas USD 12 330 thousand are secured. The remaining USD 173 thousand of Short term borrowings are not secured. The secured short term borrowings of USD 12 330 thousand is related to the Group's Nordea Facility Agreement, which are secured in shares and assets of ABL and certain subsidiaries.

b) Current Unguaranteed/unsecured debt comprises of Trade and other payables, Contract liabilities, Income tax payables, as well as USD 173 000 from Short term borrowings (see 1)a) above).

c) Non-current Secured debt comprises of non-current lease liabilities of USD 6 544 thousand in ABL Group ASA, secured in the corresponding leased assets.

d) Non-current Unguaranteed/unsecured debt comprises of Deferred tax liabilities and Provisions and other payables.

e) Represents the share capital of the Group.

f) Represents the share premium of the Group.

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g) Represents Consideration shares, Share based compensation reserve, Retained earnings, and Foreign currency translation reserve, and Non-controlling interests.

2) The data set forth in this column reflects the effects of the Transaction, please see Section 7.6 "Unaudited pro forma condensed statement of financial position as of 31 December 2022" for further information about the adjustments.

a) Current Secured debt adjustments of USD 579 thousand reflects lease liabilities in AGR AS, secured in the corresponding leased assets.

b) Current Unguaranteed/unsecured debt adjustments comprises of Trade and other payables, Contract liabilities, and Income tax payables in AGR AS totaling USD 15 146 thousand. The current Unguaranteed/unsecured debt also includes estimated transaction costs which were not accrued for per 31 December 2022 of USD 660 thousand (see Pro forma adjustment 9 in Section 7.6 for further information).

c) Non-current Secured debt comprises of non-current lease liabilities of USD 765 thousand in AGR AS, secured in the corresponding leased assets. The non-current Secured debt also includes a shareholder loan from Akastor and financial loans from DNB and Nordea totaling USD 31 010 thousand secured in shares of AGR AS, as well as operating assets and receivables in AGR Energy Services AS (a subsidiary of AGR AS). The debt of USD 31 010 thousand was fully converted to equity prior to the Transaction (see Pro forma adjustment 1 in Section 7.6 for further information).

d) Non-current Unguaranteed/unsecured debt adjustments comprises of Deferred tax liabilities and Provisions and other payables in AGR AS totaling USD 1 292 thousand. Non-current unguaranteed/unsecured debt also include a reversal of deferred tax liabilities following the reset of existing goodwill and intangible assets in AGR AS of USD 265 thousand, and an increase in deferred tax liabilities following the allocation of excess value related to intangible assets in AGR AS of USD 2 492 thousand (see Pro forma adjustment 6 and Pro forma adjustment 7 in Section 7.6 for further information about the adjustments).

e) Share capital adjustments comprises of Share capital in AGR AS of USD 2 664 thousand. Share capital also include an increase in equity following the debt conversion of shareholder loan from Akastor and financial loans from DNB and Nordea totaling USD 31 010 thousand, an increase in equity following the consideration for shares in AGR AS totaling USD 186 thousand, a decrease in equity following the elimination of equity in AGR AS totaling USD 2 664 thousand, and a decrease in equity following the elimination of debt-to-equity conversion totaling USD 31 010 thousand (see Pro forma adjustment 1, Pro forma adjustment 2, Pro forma adjustment 3, and Pro forma adjustment 5, respectively, in Section 7.6 for further information about the adjustments).

f) Legal reserves adjustments of USD 30 364 thousand reflects the share premium effect of the consideration for the shares in AGR AS (see Pro forma adjustment 2 in Section 7.6 for further information).

g) Other reserves adjustments comprise of Other equity, Retained earnings, Foreign currency translation reserve and Non-controlling interests in AGR AS totaling USD 7 704 thousand. Other reserves also include a decrease following the elimination of other reserves in AGR AS of USD 7 704 thousand, as well as a decrease from estimated transaction costs which were not accrued for per 31 December 2022 of USD 660 thousand and fair value adjustment of non-controlling interests of USD 285 thousand (see Pro forma adjustment 3, Pro forma adjustment 4, and Pro forma adjustment 9 in Section 7.6 for further information about the adjustments).

8.3 Indebtedness

Statement of Indebtedness

Amounts in USD thousand	ABL Group ASA 31 March 2023 ¹⁾	Adjustments for the Acquisition ²⁾	As adjusted as of the date of the Prospectus
(A) Cash ^(a)	28 819	(1 627)	27 192
(B) Cash equivalents	-	-	-
(C) Other current financial assets	-	-	-
(D) Liquidity (A) + (B) + (C)	28 819	(1 627)	27 192
(E) Current financial debt (including debt instruments, but excluding portion of non-current financial debt)	-	-	-
(F) Current portion of non-current financial debt ^(b)	14 182	579	14 760
(G) Current financial indebtedness (E) + (F)	14 182	579	14 760
(H) Net current financial indebtedness (G) - (D)	(14 638)	2 205	(12 432)
(I) Non-current financial debt (excluding current portion and debt instruments) ^(c)	6 544	765	7 309
(J) Debt instruments	-	-	-
(K) Non-current trade and other payables	-	-	-
Non-current financial indebtedness (I) + (J) + (K)	6 544	765	7 309
(M) Total financial indebtedness (H) + (L)	(8 094)	2 971	(5 123)

ABL Group ASA - Prospectus

1) The data set forth in this column are derived from the Group's Unaudited interim financial information for Q1 2023.

a) Represents the Cash and cash equivalents of the Group, whereas USD 792 thousand are restricted cash (mainly tax and office lease/rent deposit).

b) Current portion of non-current financial debt of the Group comprises of Short term borrowings and current Lease liabilities.

c) Represents the non-current Lease liabilities of the Group.

2) The data set forth in this column reflects the effects of the Transaction, please see Section 7.6 "Unaudited pro forma condensed statement of financial position as of 31 December 2022" for further information about the adjustments.

a) Cash comprises of USD 6 336 thousand in AGR AS. Cash also include a reduction following the cash payment of USD 546 thousand and a reduction of USD 7 417 thousand related to Leakage (see Pro forma adjustment 2 and Pro forma adjustment 5a) in Section 7.6 for further information about the adjustments).

b) Current portion of non-current financial debt of USD 579 thousand reflects current Lease liabilities in AGR AS.

c) Non-current financial debt comprises of non-current Lease liabilities of USD 765 thousand in AGR AS. The non-current financial debt also includes a shareholder loan from Akastor and financial loans from DNB and Nordea totaling USD 31 010 thousand. The debt of USD 31 010 thousand was fully converted to equity prior to the Transaction (see Pro forma adjustment 1 in Section 7.6 for further information).

8.4 Working capital statement

The Company is of the opinion that the working capital available is sufficient for the Group's present requirements for the period covering at least 12 months from the date of the Prospectus.

8.5 Contingent and indirect losses

As at 31 March 2022 and as at the date of this Prospectus, the Group did not have any contingent or indirect indebtedness.

9. BOARD OF DIRECTORS, MANAGEMENT, EMPLOYEES AND CORPORATE GOVERNANCE

9.1 Introduction

The General Meeting is the highest authority of the Company. All shareholders in the Company are entitled to attend and vote at General Meetings of the Company and to table draft resolutions for items to be included on the agenda for a General Meeting.

The overall management of the Group is vested in the Board of Directors and the Management. In accordance with Norwegian law, the Board of Directors is responsible for, among other things, supervising the general and day-to-day management of the Group's business ensuring proper organisation, preparing plans and budgets for its activities ensuring that the Group's activities, accounts and assets management are subject to adequate controls and undertaking investigations necessary to perform its duties.

The Management is responsible for the day-to-day management of the Group's operations in accordance with Norwegian law and instructions set out by the Board of Directors. Among other responsibilities, the Group's Chief Executive Officer, or CEO, is responsible for keeping the Group's accounts in accordance with applicable law and for managing the Group's assets in a responsible manner. In addition, the CEO must according to Norwegian law brief the Board of Directors about the Group's activities, financial position and operating results at a minimum of one time per month.

9.2 Board of Directors

9.2.1 Overview

The Articles of Association provide that the Board of Directors shall consist of three to eight members.

As at the date of this Prospectus, the Company's Board of Directors consists of the following:

Name	Position in the Board	Member since (year)	Up for election (year)
Glen Rødland	Chair	2013	2024
Yvonne L. Sandvold	Member	2013	2025
Synne Syrrist	Member	2013	2025
Rune Eng	Member	2021	2025
David Wells	Member	2022	2024
Hege Marie Norheim	Member	2023	2025
Paal E Johnsen	Member	2023	2025

The Board of Directors is in compliance with the independence requirements of the Norwegian Code of Practice for Corporate Governance dated 17 October 2018 (the "**Corporate Governance Code**", see also www.nues.no), meaning that (i) the majority of the shareholder-elected members of the Board of Directors are independent of the Company's executive management and material business contacts, (ii) at least two of the shareholder-elected members of the Board of Directors are independent of the Company's main shareholders, and (iii) no members of the Company's executive management are on the Board of Directors.

All members of the Board of Directors are independent of the Company's significant business relations. Mr Rødland is the controlling shareholder of the Company's largest shareholder (holding more than 10% of the Shares in the Company), Gross Management AS.

The Company's registered office, Haakon VII's gate 6, 0161 Oslo, Norway, serves as the business address for the members of the Board of Directors in relation to their directorships of the Company.

9.2.2 Brief biographies of the members of the Board of Directors

Set out below are brief biographies of the members of the Board of Directors, including their relevant management expertise and experience, an indication of any significant principal activities performed by them outside the Company and names of companies and partnerships of which a member of the Board of Directors is or has been a member of the administrative, management or supervisory bodies or partner the previous five years (not including directorships and management positions in subsidiaries of the Company).

Glen Ole Rødland, Chairman

Glen Rødland is an independent investor and is the chairperson and board member in Prosafe SE, Pascal Technologies AS, Deep Value Driller ASA, Ripple AS and ATDL AS, as well as ABL Group. He was a senior partner at HitecVision for four years, and for ten years was a partner and co-investor of Direct Active Investments in Ferncliff TIH AS. Mr Rødland has worked for 15 years with portfolio management, financial analysis, and investment banking for DNB (Vital) and Swedbank (formerly First Securities and Elcon Securities). In addition, Mr Rødland has also worked in the shipping company Jepsens and as a management consultant in PWC. He has MBA and Post Graduate studies in Finance from NHH and UCLA. Mr Rødland is a Norwegian citizen and resides in Bærum, Norway.

<p>Current directorships and management positions</p>	<p>Prosafe SE (Chairman), Pascal Technologies AS (chairman), Deep Value Driller ASA, Ripple AS, ATDL AS Corona Maritime AS (chairman), Gross Management AS (Chairman), EJGOR Holding AS (Chairman)</p>
<p>Previous directorships and management positions last five years</p>	<p>SeaDrill Ltd (chairman), Axactor SE (Chairman), Tego Maritime AS (chairman), Corona Maritime Holding AS (chairman), Spectrum ASA (board member), Strata Marine & Offshore AS (chairman), Enerquip AS (chairman), Nordic Construction Barges II AS (chairman), Nordic Construction Barges III AS (chairman), Nordic Construction Barges IV AS (chairman), Nordic Construction Barges I AS (chairman), Grøndalselva AS (board member), Van Severen & CO AS (board member), Namdalen Træsliberi AS (board member), Namdal Skoger AS (board member), Ferndrill Management AS (board member), Spectrum ASA (Chairman), Akland Property AS (chairman), Akland Eiendom AS (chairman), Standard Investering AS (chairman), Gerox AS (chairman), Standard Holding AS (chairman), Strata Key Invest AS (chairman), Namdal Transitt AS (board member), NEL Hydrogen AS (board member), Strata Marine & Offshore AS (board member), Hydrogen Technologies Holding AS (board member), Ferncliff Asset Management Holding AS (board member), Skeie Capital Investment AS (board member),</p>

	Eiken Mekaniske Verksted AS (chairman), Stugaard Invest AS (chairman), Berganodden Båtservice AS (chairman), Hydrogen Technologies Holding AS (chairman), Noble Denton (board member), Standard Drilling (board member). SD Standard Drilling (board member), Prospektor Offshore Drilling (chairman)
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Yvonne Litsheim Sandvold, Board member

Yvonne L. Sandvold is the founder and head of the board of YLS Næringseiendom AS. She has extensive experience in the Norwegian real estate industry. Ms. Sandvold currently serves on the board of several public and private companies. She holds a cand. psychol degree from the University of Oslo, Norway and is a licenced psychologist. Ms. Sandvold is a Norwegian citizen and resides in Wollerau, Switzerland.

Current directorships and management positions	YLS Næringseiendom (chair of the board), Siesand Invest AS (chair of the board), Stjernevold Invest AS (chair of the board), Octopus Eiendom AS (chair of the board), Sandvold Holding AS (chair of the board), Bjørn Farmanns gate 8 AS (chair of the board), Schønings gate 7 AS (chair of the board), Parkveien 37 AS (chair of the board), Sørkedalsveien 9 AS (chair of the board), Saga Pure ASA (board member), Self Storage Group ASA (board member), Sandvoldgruppen AS (board member)
Previous directorships and management positions last five years	Seilduksgt. 17 AS (board member), Bogstadveien 62 AS (board member), Aksjevold AS (Deputy board member), Løvendskiolds gate 12 AS (member of the board), Fossveien 15 AS (member of the board), Sandvold Bolig (board member), Karo Pharma Norge AS (board member), Sand Invest AS (board member), Frognerbygg AS (Marketing manager and chair of the board), AS Naturbetong (board member), Seilduksgt. 17 AS (chair of the board), Vinstra Handelspark II AS (chair of the board), Sand Invest AS (Chairman), Vinstra Handelspark AS (chair of the board), Fossveien 15 AS (chair of the board), Nobels Gate 2B AS (chair of the board), Valhallvegen 6 Invest AS (board member), AIR ESTATE AS (board member), Saga Tankers AS (board member)

Synne Syrrist, Board member

Synne Syrrist is an independent business consultant and has extensive experience as a non-executive director of both private and public companies. Ms Syrrist was previously a partner and financial analyst at First Securities. She currently serves on the board of several public companies, including Awilco LNG ASA, Awilco Drilling Ltd and Naxs AB. She holds an MSc from the Norwegian University of Science and Technology and qualified as an authorised financial analyst at the Norwegian School of Economics and Business Administration. Ms Syrrist is a Norwegian citizen and resides in Oslo, Norway.

<p>Current directorships and management positions</p>	<p>Awilco Drilling Ltd (board member), Awilco LNG ASA (chairman of the board member), Njord Securities AS (board member), NAXS AB (board member), ABL Group ASA (board member), Integrated Wind Solutions ASA (board member), Ghilardi+Hellsten arkitekter AS (board member), Østfold Logistikkbygg AS (board member), , Bergen Kommunebygg AS (board member), Hafjell Helse- og handelsbygg AS (board member), Lillehammer Handelseiendom AS (board member), Stavanger Handelsbygg AS (board member), Eiketangen AS (chair)</p>
<p>Previous directorships and management positions last five years</p>	<p>Eidesvik Offshore ASA (board member), 0495 Grefsen AS (board member), Vestfold Logistikkbygg AS (board member), Østfold Etatbygg AS (board member), Midt-Norge Bilpark AS (board member), Sørlandet Bilpark AS (board member), Telemark Logistikkbygg AS (board member),</p>

Rune Eng, Board member

Rune Eng has significant experience from his many years in the energy sector. His last position was Executive Vice President International of the TGS. He was previously CEO and President of Spectrum Geo Limited (subsequently sold to the TGS Group), a position he held for almost nine years. Mr. Eng has also held various roles at PGS ASA over a period more than 13 years as well as roles in Fugro, Digital Equipment Corporation A/S and GeoTeam Group. Mr. Eng holds a Bachelor of Science in Geophysics from the University of Oslo and a Master of Science in Geophysics from the University of Gothenburg.

<p>Current directorships and management positions</p>	<p>Non-Executive director in Corre Energy; Chair in Eng Invest AS</p>
<p>Previous directorships and management positions last five years</p>	<p>CEO Spectrum ASA and directorships in certain Spectrum subsidiaries, EVP TGS ASA.</p>

David Wells, Board member

David Wells, a Master Mariner, was a founding member of Aqualis Offshore (now ABL Group) and held the position of CEO until the end of 2021 and his retirement. Mr Wells has more than 30 years' experience in the offshore consultancy sector with a particular focus on offshore operations, MWS and marine consultancy. He is a specialist on jack-up rig move operations, location approvals and all aspects of rig moving. Prior to joining Aqualis Offshore, Mr Wells was a specialist consultant to the offshore market and previously held senior Global and Regional MD roles for a major leading global oil and gas consultancy. His focus during the latter was on the Middle East and Africa and Indian sub-continental regions where he managed seven offices and a multi-cultural staff of some 200 employees. Mr Wells resides in London, UK.

Current directorships and management positions	Mobile Technology Holdings Ltd (Board Member), ALSTO Consultancy Ltd (Chairman)
Previous directorships and management positions last five years	Greatship Global Energy Services Pte Ltd (Board Member), ABL Group (former CEO)

Hege Marie Norheim, Board member

Hege Marie Norheim currently serves as executive vice president, corporate public affairs and sustainability of FREYR Battery, and has previously held various executive roles with some of the largest Norwegian corporates, such as Equinor ASA and Norsk Hydro ASA. Ms. Norheim has also held the positions of Senior Advisor in the Office of the Prime Minister of Norway and State Secretary to the Prime Minister and the Minister of Finance. Ms. Norheim holds an M.Sc. in Economics and Business Administration from the Norwegian School of Economics and Hochschule St. Gallen in Switzerland.

Current directorships and management positions	FREYR Battery (EVP, Corporate Public Affairs and Sustainability), Norwegian Refugee Council (vice chair of the board)
Previous directorships and management positions last five years	

Paal E. Johnsen, Board member

Paal E. Johnsen has extensive experience from investment banking, management and board positions in various companies within industry and finance. Mr. Johnsen currently holds a position as an investment director with Akastor ASA. Mr. Johnsen holds an MSc in Economics and Business Administration from the Norwegian School of Economics.

Current directorships and management positions	Akastor ASA (investment director), inApril AS (chair of the board), Føn Energy Services (chair of the board), Eureka Group AS (chair of the board), Origo Solutions (board member), DDW Offshore (chair of the board), Snowcastle Games (board member), AKOFS Offshore (chair of the board), Avium Subsea (board member), Step Oiltools (board member)
Previous directorships and management positions last five years	AGR AS (chair of the board), NTS ASA (board member), Norwegian Royal Salmon ASA (chair of the board), SalmoNor AS (chair of the board), MyBank ASA (board member)

9.2.3 Shares and options held by members of the Board of Directors

As at the date of this Prospectus, the members of the Board of Directors have the following shareholdings in the Company (including direct and indirect ownership):

Name	Position in the Board	Member since (year)	Up for election (year)	Committee membership	Shareholding in ABL Group ASA*
Glen Rødland	Chair	2013	2024		14,890,351 ¹
Yvonne L. Sandvold	Member	2013	2025	Remuneration	-
Synne Syrrist	Member	2013	2025	Audit	-
Rune Eng	Member	2021	2025	Audit	198,407 ²
David Wells	Member	2022	2024	Remuneration	1,073,051 (plus 135,000 share options)
Hege Marie Norheim	Member	2023	2025		-
Paal E. Johnsen	Member	2023	2025		Represents RGA Energy Holdings AS, which holds 6,055,556 shares in the Company

As at the date of this Prospectus, none of the members of the Board of Directors holds any options for Shares in the Company.

9.3 Management

9.3.1 Overview

The Executive Management of the Company consists of 6 individuals as at the date of this Prospectus. The names of the members of the Executive Management, and their respective positions, are presented in the table below:

Name	Position	Served since
Reuben Segal	Chief Executive Officer	2022
Stuart Jackson	Chief Financial Officer	2023
Bader Diab	Chief Operating Officer	2022
Svein Staaen	General Counsel	2020
RV Ahilan	Chief Energy Transition Officer	2021
Will Cleverly	Chief Executive Officer, OWC	2022

The Company's registered office, Haakon VII's gate 6, 0161 Oslo, Norway, serves as the business address for the members of management in relation to their positions in the Company.

¹ The shares are held through Gross Management AS, an entity controlled by Mr. Rødland.

² The shares are held through Eng Invest AS, an entity controlled by Mr. Eng.

9.3.2 Brief biographies of the members of the Management

Set out below are brief biographies of the members of the Management, including their relevant management expertise and experience, an indication of any significant principal activities performed by them outside the Company and names of companies and partnerships of which a member of the Management is or has been a member of the administrative, management or supervisory bodies or partner the previous five years (not including directorships and management positions in subsidiaries of the Company).

Reuben Segal, Chief Executive Officer

Reuben Segal has over 20 years' experience in the offshore and shipping sectors, covering both engineering design and ship surveying. He is a naval architect and has extensive recent global business development experience with a focus on design and construction of offshore oil and gas assets, including MODU and MOPU units from FEED through to yard delivery. Mr Segal holds a Master's degree in Engineering from the University of Newcastle. Mr Segal resides in Dubai, UAE.

Current directorships and management positions	ABL Group ASA (Chief Executive Officer), AmAn Marine Ltd (board member)
Previous directorships and management positions last five years	GL Noble Denton (group director design & construction), GL Noble Denton (group director execution services), Karo Pharma Norge AS (board member)

Stuart Jackson, Chief Financial Officer

Stuart Jackson has over 35 years' experience in the global energy sector, covering exploration & production, power generation and offshore drilling & services. He has extensive experience in start-up/growth businesses but has also completed four financial and operational restructurings. His experience extends across private equity, family wealth, as well as OSE, NYSE, LSE, NASDAQ and AIM, listed businesses. Mr Jackson holds a BSc in Accounting & Financial Management and is a Fellow at the ICMA. Mr Jackson is a British citizen and resides in Dubai, United Arab Emirates.

Current directorships and management positions	ABL Group Limited (Chief Financial Officer) and various subsidiary entities, S3N Ventus Limited (Board Member), Tortuga Energy Services Limited (Board Member)
Previous directorships and management positions last five years	Seadrill Limited (Chief Executive Officer) and various Seadrill subsidiary entities (Board member), Ergomed plc (Chief Financial Officer and Board Member) and various Ergomed subsidiary entities, Bibby Offshore Holdings Limited (Chief Financial Officer and Board Member) and various Bibby subsidiary entities

Bader Diab, Chief Operating Officer

Dr Bader Diab is one of the founding members of the ABL group and currently holds the position of Chief Operating Officer. He has worked in the offshore energy industry for more than 30 years including postings in the UK, Middle East and United States. Bader has held senior management positions in several offshore and marine consultancies including a recent position of Regional Managing Director – Americas with the ABL Group.

Bader is a Civil / Structural engineer with experience in the global performance of offshore structures, including transportation and installation, and the design of MOUs. He is a registered professional engineer in the states of Texas and Alaska.

Current directorships and management positions	ABL Group Chief Operating Officer. Director ABL USA, Inc President and owner of Offshore Mechanics, Inc. (currently dormant).
Previous directorships and management positions last five years	Regional Managing Director, ABL Americas.

Svein Staaen, General Counsel

Svein O. Staaen has over 20 years' professional experience from law firms and in-house legal positions, with particular experience from maritime and energy industries. He holds a Master of Law degree from the University of Oslo and a Diploma in English Commercial Law from the College of Law, London. Mr. Staaen is a Norwegian citizen and resides in Bærum, Norway.

Current directorships and management positions	ABL Group ASA (General Counsel), directorships in certain ABL Group subsidiaries
Previous directorships and management positions last five years	Spectrum ASA (General Counsel), directorships in certain Spectrum subsidiaries

RV Ahilan, Chief Energy Transition Officer

Ahilan is a well-known and highly respected technology and business leader with over three decades of industry experience, more than 25 years of which has been at board level, including leadership positions at LOC, DNV GL, GL Garrad Hassan and Noble Denton.

With expertise in hydrodynamics, he has led projects which have set standards and safety factors in jack-up site assessment, mooring systems and marine transportation.

He has been an expert witness and technical advisor to lawyers in Norway, UAE and the UK on many technically complex cases related to marine operations, drilling rigs and FPSOs. He is Chairman of the charity Marine Technology Trust which supports industrial placements in the marine industry for UK university students. In addition to this, he is an Advisory Board Member of WavEC Offshore Renewables and was Non-Executive Director of a vertical axis wind turbine company.

Ahilan has also acted as global director of LOC Renewables, having established it as an umbrella brand to consolidate the group's expertise and portfolio across the marine renewables' landscape. Under his direction, LOC Renewables rapidly developed its project experience across offshore and floating wind, floating solar, wave and tidal energy.

He holds a BSc (Leeds) and MS (Caltech) in Civil Engineering, a PhD (Cantab) in Engineering Fluid Mechanics, an MBA (Imperial) and is a Fellow of the Royal Academy of Engineering

Current directorships and management positions	Chief Energy Transition Officer in ABL Group; directorships in certain ABL Group subsidiaries
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Previous directorships and management positions last five years	CEO in LOC Group; directorships in certain LOC Group subsidiaries
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Will Cleverly, Chief Executive Officer, OWC

William Cleverly is CEO of OWC – ABL Group’s renewables technical advisory company which also contains Innosea, East Point Geo, and the group’s onshore renewables team.

William has worked in the offshore wind industry since 2008, working at various leading consultancies before joining OWC in 2013. His expertise spans early stage development through to construction and installation, with a particular focus on site suitability, foundation package management, and geoscience. He has worked across Europe, Asia and the Americas in various key roles in over 50GW of offshore wind projects. Key experience includes project management, package management, direction and leadership across offshore renewables projects from early stage development to construction offshore.

Will has an undergraduate degree from the University of Cambridge, is a chartered engineer with the ICE, and has completed an Executive MBA in London – coming top of the year. He has since been invited back to be a guest lecturer on topics such as “Green energy and sustainable finance”.

Will is now CEO of OWC where he has a focus on organic and inorganic growth. He also maintains Project Director roles on a small number of high profile projects in the UK and globally, and acts as an Observer to the ABL Board. He is based in London, UK.

Current directorships and management positions	CEO of OWC, Director and Formal Representative of OWC subsidiary companies
Previous directorships and management positions last five years	n/a

9.4 Bonus and share incentive programmes

9.4.1 Bonus plan

The Company has an Employee Incentive Compensation Plan (“**Bonus Plan**”) available to all full-time employees, excluding those who are on an established incentive/bonus plan specific to their position. The size of the bonus pool is dependent on both regional and group performance.

Each region must meet the Regional Profitability Target to qualify for allocating bonus to the employees in the region. The minimum Regional Profitability Target for 2022 is

- 5% EBITA margin after group cost; and
- 10% reduction in working capital days;
- The size of the Bonus Pool for a region is currently 15% of the EBITA for the region if ABL Group is profitable. If both thresholds are not met, the bonus pool will be 7.5% of the EBITA.

The total Bonus Pool for the Group is currently restricted to 15% of ABL Group EBITA (pre bonus charge). If the ABL Group is not profitable (EBITA loss), the regions will not be eligible for a bonus pool.

The Regional Bonus Pool will be shared among the management team and the employees. The split of the Bonus Pool into individual bonus payments is primarily based on the number of eligible employees

and their base salaries. For the executive management team, the bonus bases for 2022 is 75% group performance and 25% discretionary.

In 2023 the Board of Directors are investigating changing the variable pay bonus plan for certain senior management to ensure it drives better performance. This is likely to increase the overall cost of the bonus plan, assuming better performance is achieved.

No individual is guaranteed a bonus award.

9.4.2 Employee incentive schemes

In 2019 the Company established a share option scheme (Long Term Incentive Plan, "LTIP") for the employees of the Company and its subsidiaries with the purpose of providing incentives for the employees to promote the best performance and encourage a long-term relationship with the Group by offering the possibility to participate in the Company's financial development.

The options are issued at-the-money with a 3-year vesting period subject to inter alia continued employment and investment obligations (purchase of shares) for part of the gain on options, including lock-up on the shares as follows:

If a Participant's total gain on the Exercise Date is above NOK 60,000, the Participant must use minimum 25% of the gain to purchase new shares in the Company, unless the Participant already holds shares equivalent to at least that, and he/she shall not sell or otherwise dispose of the shares bought or held to comply with the minimum investment (the "**Employee Lock-Up Shares**") until the following dates:

- a) for 1/3 of the Employee Lock-Up Shares, rounded up, until the first anniversary of the Exercise Date;
- b) for 1/3 of the Employee Lock-Up Shares, rounded up, until the second anniversary of the Exercise Date;
- c) for the remaining Employee Lock-Up Shares, until the third anniversary of the Exercise Date.

The Board has issued a total of 20,505,000 share options through the LTIP2019 (8,505,000), LTIP 2020 (11,000,000) and LTIP 2022 (1,000,000). At the end of 2022, the number of outstanding share options are 10,805,000.

Share options are offered to the executive management team as well as other employees, as agreed by the Board of Directors. The option plan is designed to create an ownership culture to ensure alignment between shareholders and the management of the Company.

9.4.3 Shares and options held by members of the Executive Management

As of the date of this Prospectus, the members of the Executive Management have the following shareholdings and options in the Company (including direct and indirect ownership):

Name	Position	Shares	Share Options
Reuben Segal	Chief Executive Officer	1 933 000	-
Stuart Jackson	Chief Financial Officer	-	-
Bader Diab	Chief Operating Officer	1 652 695	-
Svein Staalen	General Counsel	202 864	135 000
RV Ahilan	Chief Energy Transition Officer	737 705	260 000
Will Cleverly	Chief Executive Officer, OWC	178 931	100 000

9.5 Conflicts of interests

There are no family relations between any of the members of the Board or the Management.

There are no potential conflicts of interests between any duties to the Company, of any of the Board members or members of the Executive Management and their private interests and or other duties, except as described below or by the shareholdings of the Executive Management in 9.4.2:

9.5.1 Glen Ole Rødland, Chairman of the Board

Mr. Rødland is a board member in and controls the shares in Gross Management AS, which as of the date of this Prospectus owns 14,890,351 Shares, corresponding to 12.1% of total shares outstanding in the Company. Mr. Rødland is consequently not considered to be independent from the Company's major shareholders.

9.6 Details of any convictions for fraudulent offences, bankruptcy etc.

None of the members of the Board of Directors or the Management have during the last five years preceding the date of this Prospectus:

- any convictions in relation to indictable offences or convictions in relation to fraudulent offences;
- received any official public incrimination and/or sanctions by any statutory or regulatory authorities (including designated professional bodies) or was disqualified by a court from acting as a member of the administrative, management or supervisory bodies of a company or from acting in the management or conduct of the affairs of any company; or
- been declared bankrupt or been associated with any bankruptcy, receivership or liquidation or companies put into administration in his/her capacity as a founder, director or senior manager of a company or partner of a limited partnership, other than in respect of Mr. Rødland and Mr. Jackson who, in their capacities as Chairman and Chief Executive Officer respectively of Seadrill Limited were responsible for managing the successful restructuring of Seadrill Limited through a US Chapter 11 bankruptcy proceeding, which was completed in 2022.

There are no actual or potential conflicts of interest between the private interests or other duties of any of the members of Management and the Board of Directors and their duties towards the Company, including any family relationships between such persons.

10. CORPORATE INFORMATION AND CERTAIN ASPECTS OF NORWEGIAN LAW

The following is a summary of certain corporate information and material information relating to the Shares and share capital of the Company and certain other shareholder matters, including summaries of certain provisions of the Company's Articles of Association and applicable Norwegian law in effect as at the date of this Prospectus. The summary does not purport to be complete and is qualified in its entirety by the Company's Articles of Association and applicable law.

10.1 Company corporate information

The Company, having ABL Group ASA as its registered name and ABL Group as its commercial name, is a Norwegian incorporated public limited liability company organised and existing under the laws of Norway, pursuant to the Norwegian Public Limited Companies Act. The Company is registered with the Norwegian Register of Business Enterprises with registration number 913 757 424. The legal entity identifier ("LEI") of the Company is 5967007LIEEXZXH86O96. The Company's registered office is in the municipality of Oslo, with address Haakon VII's gate 6, 0161 Oslo, Norway, telephone +47 414 33 560. The Company was incorporated 2 June 2014. The Group's website address is www.abl-group.com. The content of www.abl-group.com is not incorporated by reference into and does not otherwise form part of this Prospectus.

At the date of this Prospectus, the current share capital of the Company is NOK 12,293,652.90 divided into 122,936,529 Shares fully paid with a par value of NOK 0.10 each and issued in accordance with Norwegian law.

The Shares, excluding the Consideration Shares, are issued on ISIN NO 0010715394, while the Consideration Shares are issued on a separate ISIN NO0012895202 and will be transferred to the listed ISIN following publication of this Prospectus. The Company's register of shareholders with the VPS is administrated by DNB Bank ASA, address: Dronning Eufemias Gate 30, 0191 Oslo, Norway. The Shares are equal in all respects and there are no different voting rights or classes of shares. Each Share carries one vote at the General Meeting.

10.2 Major shareholders

As at the date of this Prospectus, the Company has the following 20 shareholders, holding in aggregate 68.5 % of the issued and outstanding Shares:

#	Shareholder name	Number of Shares	Percentage (%)
1	GROSS MANAGEMENT AS	14 890 351	12,1%
2	HOLMEN SPESIALFOND	10 450 000	8,5%
3	DNB BANK ASA	7 637 835	6,2%
4	BJØRN STRAY	6 217 743	5,1%
5	RGA ENERGY HOLDINGS AS	6 055 556	4,9%
6	NORDEA BANK ABP, FIL	6 055 555	4,9%
7	MELESIO INVEST AS	4 811 016	3,9%
8	SOBER AS	3 500 000	2,8%
9	SAXO BANK A/S	3 458 501	2,8%
10	HAUSTA INVESTOR AS	2 725 852	2,2%
11	KRB CAPITAL AS	2 539 065	2,1%
12	VALOREM AS	2 360 000	1,9%
13	MP PENSJON PK	2 251 128	1,8%
14	TRAPESA AS	2 008 280	1,6%

15	CATILINA INVEST AS	1 685 339	1,4%
16	BADREDDIN DIAB	1 652 695	1,3%
17	AMPHYTRON INVEST AS	1 600 339	1,3%
18	MUSTANG CAPITAL AS	1 530 000	1,2%
19	GINKO AS	1 428 480	1,2%
20	CARNEGIE INVESTMENT BANK AB	1 375 000	1,1%
Top 20 shareholders		84 232 735	68,5%

There are no differences in voting rights between the shareholders. Each of the Shares carries one vote.

Shareholders owning 5% or more of the Shares have an interest in the Company's share capital which is notifiable pursuant to the Norwegian Securities Trading Act. The table below shows the ownership percentage held by such notifiable shareholders.

#	Shareholder name	Number of Shares	Percentage (%)
1	GROSS MANAGEMENT AS	14 890 351	12,1%
2	HOLMEN SPESIALFOND	10 450 000	8,5%
3	DNB BANK ASA	7 637 835	6,2%
4	BJØRN STRAY	6 217 743	5,1%

See Section 11.8 "Disclosure obligations" for a description of the disclosure obligations under the Norwegian Securities Trading Act. To the extent known to the Company, there are no other persons or entities that, directly or indirectly, jointly or severally, exercise or could exercise control over the Company. The Company is not aware of any arrangements the operation of which may at a subsequent date result in a change of control of the Company.

The Company's Articles of Association do not contain any provisions that would have the effect of delaying, deferring or preventing a change of control of the Company. The Shares have not been subject to any public takeover bids during the current or last financial year.

10.3 Authorisation to increase the share capital and to issue shares

In the Company's annual general meeting held 31 May 2023 (the "2023 AGM"), the Board was granted the following authorisation to resolve the issue of new Shares in connection with the Company's employee incentive program as described in Section 9.4.2 "Employee Incentive Scheme":

1. *The Board is hereby authorized, pursuant to section 10-14 of the Public Limited Liability Companies act to increase the Company's share capital with up to NOK 980,500, through one or more capital increases. The power of attorney may only be utilized in connection with the employee incentive program of the Company.*
2. *The power of attorney may be used in connection with increase in the share capital with settlement by contribution in kind, by way of set-off, or with conditions that shares may be subscribed for on other particular terms, cf. section 10-2 of the Public Limited Liability Companies act. The power of attorney does not cover a resolution of merger pursuant to section 13-5 of the Public Limited Liability Companies act.*
3. *The Board may, when exercising the power of attorney, waive the shareholders' preferential rights pursuant to section 10-4, cf. 10-5 of the Public Limited Liability Companies act.*

4. *The Board is granted the power to determine the subscription rate and the conditions for subscription, and to amend the articles of association section 4 according to the share capital increase.*
5. *The power of attorney expires at the annual general meeting in 2023, but in any event not later than 30 June 2024. The authorization replaces the power of attorney to increase the share capital regarding the incentive program granted to the Board on 1 June 2022.*

The 2023 AGM further granted the Board the following authorisation to increase the share capital by up to NOK 2,458,730 in connection with issuances of shares as complete or partial settlement for or financing of mergers or in connection with acquisitions of companies, businesses or assets:

1. *The Board of Directors is granted a power of attorney pursuant to the Public Limited Liability Companies act section 10-14 to increase the share capital in the Company with up to NOK 2,458,730 through one or more increases in the share capital. The power of attorney may be utilized in connection with issuance of shares as complete or partial settlement for or financing of mergers or in connection with acquisition of companies, businesses or assets. The power of attorney may also be used for the purpose of strengthening the financial ability of the Company to accomplish such transactions.*
2. *When exercising the power of attorney, the Board of Directors may decide that the share capital increase shall be settled by contribution in kind, by way of set-off, or that shares may be subscribed for on other particular terms, cf. the Public Limited Liability Companies act section 10-2.*
3. *The power of attorney may also be used in connection with mergers.*
4. *Further, the Board of Directors may, when exercising the power of attorney, waive the shareholders' preferential rights pursuant to the Public Limited Liability Companies act section 10-4, cf. section 10-5.*
5. *The Board of Directors is granted the power to determine the subscription rate and the conditions for subscription, and to amend the articles of association section 4 according to the increase in the share capital.*
6. *The Power of Attorney is valid until the Annual General Meeting in 2024, expiring at the latest on 30 June 2024. The authorization replaces the general power of attorney to increase the share capital granted to the Board on 1 June 2022.*

10.4 Authorisation to acquire treasury shares

In the 2023 AGM, the Board was granted the following authorization to repurchase the Company's own shares within a total nominal value of NOK 1,229,365:

The Board is granted authorization to acquire shares in ABL GROUP ASA on behalf of the Company for one or more of the following purposes:

- (i) *in connection with the Company's share purchase program for its employees,*
- (ii) *to increase return on investment for the Company's shareholders, and/or*
- (iii) *to facilitate complete or partial settlement in connection with acquisition of companies, businesses or assets.*

The authorization covers purchase(s) of up to 10% of the face value of the share capital of the Company, i.e., up to an aggregate nominal value of NOK 1,229,365. Shares may be acquired at minimum NOK 0.1 per share and maximum NOK 100 per share. These limitations shall be adjusted in the event of share consolidation, share splits, and similar changes to the Company's share capital. The shares shall be acquired through ordinary purchase on the stock exchange. The Board is otherwise free to decide how the acquisition and disposal of shares shall take place,

The Board's authorization is valid until the Company's Annual General Meeting in 2024, expiring at the latest on 30 June 2024. The decision shall be notified to and registered by the Norwegian Register of Business Enterprises prior to acquiring any shares pursuant to this authorization. The authorization replaces the power of attorney to acquire treasury shares granted to the Board on 1 June 2022.

10.5 Warrants

As part of the consideration for the Company's acquisition of 100% of the outstanding shares in LOC Group in December 2020 (the "**LOC Transaction**"), the Company issued 2 million warrants, giving certain funds managed by Bridgepoint Advisers II Limited ("**Bridgepoint**") the right to subscribe for new shares in the Company, subject to certain exercise conditions. In line with such exercise conditions, Bridgepoint exercised 1 million warrants in July 2022. The remaining 1 million warrants (the "**Bridgepoint Warrants**") may be exercised for a period of 30 business days from the date falling 36 months from completion of the LOC Transaction. Exercise of the Bridgepoint Warrants will further be subject to that the volume weighted average share price of the Company during the 60 trading day period ending on the date falling 36 months from completion of the LOC Transaction, exceeds NOK 10.00 per share.

When exercising the Bridgepoint Warrants, the warrant holders shall pay the nominal value of NOK 0.10 in cash per share subscribed.

10.6 Consideration Shares

As part of the Company's acquisition of 100% of the outstanding shares in East Point Geo Ltd on 18 February 2021 (the "**EPG Transaction**"), the consideration included 664,083 consideration shares (the "**EPG Consideration Shares**") which the sellers shall acquire from ABL Group or subscribe for at a price of NOK 0.1 per share in three equal tranches on the dates falling 3, 5 and 7 years after completion of the EPG Transaction.

10.7 Share options and other financial instruments

Except as described under Section 9.4.2 "Employee incentive schemes", and this Section 10.7, neither the Company nor any of its subsidiaries has issued any options, warrants, convertible loans or other instruments that would entitle a holder of any such instrument to subscribe for any Shares in the Company or its subsidiaries. Furthermore, neither the Company nor any of its subsidiaries has issued subordinated debt or transferable securities other than the Shares and the shares in its subsidiaries which will be held, directly or indirectly, by the Company.

10.8 Shareholder rights

The Company has one class of Shares in issue, and in accordance with the Norwegian Public Limited Liability Companies Act, all Shares in that class provide equal rights in the Company, including the rights to the Company's profits, in the event of liquidation and to receive dividend. Each of the Shares carries one vote. The shares are freely transferable. Certain rights attaching to the Shares are described in 10.15 "Dividend and dividend policy".

10.9 Shareholder agreements

The Board is not aware of any shareholder agreements by and among the Company's shareholders relating to the Company.

10.10 Voting rights - amendments to the Articles of Association

Each of the Shares carries one vote. In general, decisions that shareholders are entitled to make under Norwegian law, or the Articles of Association may be made by a simple majority of the votes cast. In the case of elections or appointments, the person(s) who receive(s) the greatest number of votes cast are elected. However, as required under Norwegian law, certain decisions, including resolutions to waive preferential rights to subscribe in connection with any share issue in the Company, to approve a merger or demerger of the Company, to amend the Articles of Association, to authorise an increase or reduction in the share capital, to authorise an issuance of convertible loans or warrants by the Company or to authorise the Board of Directors to purchase Shares and hold them as treasury shares or to dissolve the Company, must receive the approval of at least two-thirds of the aggregate number of votes cast as well as at least two-thirds of the share capital represented at a general meeting. Norwegian law further requires that certain decisions, which have the effect of substantially altering the rights and preferences of any shares or class of shares, receive the approval by the holders of such shares or class of shares as well as the majority required for amending the Articles of Association.

Decisions that (i) would reduce the rights of some or all of the Company's shareholders in respect of dividend payments or other rights to assets or (ii) restrict the transferability of the Shares, require that at least 90% of the share capital represented at the general meeting in question vote in favour of the resolution, as well as the majority required for amending the Articles of Association.

In general, only a shareholder registered in the VPS is entitled to vote for such Shares. Beneficial owners of the Shares that are registered in the name of a nominee are generally not entitled to vote under Norwegian law, nor is any person who is designated in the VPS register as the holder of such Shares as nominees. Investors should note that there are varying opinions as to the interpretation of the right to vote on nominee registered shares. In the Company's view, a nominee may not meet or vote for Shares registered on a nominee account. Shareholders who hold their shares in a nominee account in the VPS and who would like to cast votes for such shares, must transfer the shares to a VPS account in their own name and ensure that this is registered in the VPS to be able to cast votes for such shares at the general meeting.

10.11 There are no quorum requirements that apply to the general meetings.

10.12 Additional issuances and preferential rights

If the Company issues any new Shares, including bonus shares (i.e. new Shares issued by a transfer from funds that the Company is allowed to use to distribute dividend), the Company's articles of association must be amended, which requires the support of at least (i) two thirds of the votes cast and (ii) two thirds of the share capital represented at the relevant General Meeting.

In addition, under Norwegian law, the Company's shareholders have a preferential right to subscribe for the new Shares on a pro rata basis in accordance with their then-current shareholdings in the Company. Preferential rights may be set aside by resolution in a general meeting of shareholders passed by the same vote required to approve amendments of the Articles of Association. Setting aside the shareholders' preferential rights in respect of bonus issues requires the approval of the holders of all outstanding Shares.

The General Meeting of the Company may, in a resolution supported by at least (i) two thirds of the votes cast and (ii) two thirds of the share capital represented at the relevant General Meeting, authorise

the Board to issue new Shares. Such authorisation may be effective for a maximum of two years, and the nominal value of the Shares to be issued may not exceed 50% of the nominal share capital at the time the authorisation is registered with the Norwegian Register of Business Enterprises. The shareholders' preferential right to subscribe for Shares issued against consideration in cash may be set aside by the Board only if the authorisation includes the power for the Board to do so.

Any issue of Shares to shareholders who are citizens or residents of the United States upon the exercise of preferential rights may require the Company to file a registration statement in the United States under U.S. securities law. Shareholders in other jurisdictions outside Norway may be similarly affected if the rights and the new shares being offered have not been registered with, or approved by, the relevant authorities in such jurisdiction. The Company has not filed a registration statement under the U.S. Securities Act or sought approvals under the laws of any other jurisdiction outside Norway in respect of any pre-emptive rights of the Shares, does not intend to do so and doing so in the future may be impractical and costly. If a shareholder is ineligible to participate in a rights offering, such shareholder would not receive the rights at all and the rights would be sold on the shareholder's behalf by the Company.

To the extent that the Company's shareholders are not able, or choose not, to exercise their rights to subscribe for new shares, their proportional ownership and voting interests in the Company will be reduced.

Under Norwegian law, bonus shares may be issued, subject to shareholder approval and provided, amongst other requirements, that the transfer is made from funds that the Company is allowed to use to distribute dividend. Any bonus issues may be effectuated either by issuing Shares or by increasing the nominal value of the Shares outstanding. If the increase in share capital is to take place by new Shares being issued, these new Shares must be allocated to the shareholders of the Company in proportion to their current shareholdings in the Company.

10.13 Distribution of assets on liquidation

Under Norwegian law, a company may be liquidated by a resolution of the company's shareholders in a general meeting passed by the same vote as required with respect to amendments to the articles of association. The shares rank equally in the event of a return on capital by the company upon liquidation or otherwise.

10.14 Rights of redemption and repurchase of shares

The Company has not issued redeemable shares (i.e. shares redeemable without the shareholder's consent).

The Company's share capital may be reduced by reducing the nominal value of the Shares. According to the Norwegian Public Limited Liability Companies Act, such decision requires the approval of at least two-thirds of the votes cast and share capital represented at a General Meeting. Redemption of individual Shares requires the consent of the holders of the Shares to be redeemed.

The Company may purchase its own Shares if an authorisation to the Board to do so has been given by the shareholders at a General Meeting with the approval of at least two-thirds of the aggregate number of votes cast and share capital represented. The aggregate nominal value of treasury Shares so acquired may not exceed 10% of the Company's share capital, and treasury shares may only be acquired if the Company's distributable equity, according to the latest adopted balance sheet, exceeds the consideration to be paid for the shares. The authorisation by the shareholders at the General Meeting cannot be given for a period exceeding 18 months. A Norwegian public limited liability company may not subscribe for its own shares.

10.15 Dividend and dividend policy

10.15.1 Dividend policy

All Shares in the Company have equal rights to dividends.

It is the Company's objective to generate returns to the shareholders in the form of dividends and share appreciation, which is at least on the same level as other investment possibilities with comparable risk. This should be achieved, first and foremost, through strong and profitable growth within the Company's business areas. Future dividends will depend on the group's financial strength, cash flow, investment needs and growth opportunities. The Company's ambition is to pay a cash dividend that is following its long term underlying cash flow. When deciding the dividend amount, the Board of Directors will consider the group's financial strength, cash flow, investment needs, growth opportunities and a level of financial flexibility that is appropriate for the Company's business model. In addition to paying a cash dividend, the Company may buy back its own shares as part of its plan to distribute capital to shareholders.

There can be no assurances that in any given year a dividend will be proposed or declared, or if proposed or declared, that the dividend will be as contemplated by the above. In deciding whether to propose a dividend and in determining the dividend amount, the Board of Directors will take into account legal restrictions, the Group's capital requirements and financial condition, general business conditions, any restrictions that borrowing arrangements or other contractual arrangements may place on the Company's ability to pay dividends and the maintaining of appropriate financial flexibility.

The table below shows the amount of dividend distributed per Share in 2021, 2022 and as at the date of this Prospectus in 2023.

NOK	2023 (as at the date of this Prospectus)	2022	2021
Amount of dividend per Share	NOK 0.35	NOK 0.60	NOK 0.50

10.15.2 Legal constraints on the distribution of dividends

Dividends may be paid in cash, or in some instances, in kind. The Norwegian Public Limited Companies Act provides the following constraints on the distribution of dividends applicable to the Company:

- Section 8-1 of the Norwegian Public Limited Companies Act provides that the Company may distribute dividends to the extent that the Company's net assets following the distribution cover (i) the share capital, (ii) the reserve for valuation variances and (iii) the reserve for unrealised gains. The amount of any receivable held by the Company which is secured by a pledge over Shares in the Company, as well as the aggregate amount of credit and security which, pursuant to Section 8-7 to Section 8-10 of the Norwegian Public Limited Companies Act fall within the limits of distributable equity, shall be deducted from the distributable amount.

The calculation of the distributable equity shall be made on the basis of the balance sheet included in the approved annual accounts for the last financial year, provided, however, that the registered share capital as of the date of the resolution to distribute dividends, shall be applied. Following the approval of the annual accounts for the last financial year, the General Meeting may also authorise the Board of Directors to declare dividends on the basis of the Company's annual accounts. Dividends may also be resolved by the General Meeting based on an interim balance sheet which has been prepared and audited in accordance with the provisions applying to the annual accounts and with a balance sheet

date not further into the past than six months before the date of the General Meeting's resolution.

- Dividends can only be distributed to the extent that the Company's equity and liquidity following the distribution is considered sound.

In deciding whether to propose a dividend and in determining the dividend amount, the Board of Directors will take into account legal restrictions, as set out in the Norwegian Public Limited Companies Act, the Company's capital requirements, including capital expenditure requirements, its financial condition, general business conditions and any restrictions that its contractual arrangements in place at the time of the dividend may place on its ability to pay dividends and the maintaining of appropriate financial flexibility. Except in certain specific and limited circumstances set out in the Norwegian Public Limited Companies Act, the amount of dividends paid may not exceed the amount recommended by the Board of Directors.

The Norwegian Public Limited Companies Act does not provide for any time limit after which entitlement to dividends lapses. Subject to various exceptions, Norwegian law provides a limitation period of three years from the date on which an obligation is due. There are no dividend restrictions or specific procedures for non-Norwegian resident shareholders to claim dividends. For a description of withholding tax on dividends applicable to non-Norwegian residents, see Section 12.1 "Taxation of dividend".

10.15.3 Other constraints on the distribution of dividends

Pursuant to the terms of the Nordea Facility Agreement, the Company will be restricted from distributing any dividends in the event the Company should be in breach of its financial covenants thereunder, as set out in section **Error! Reference source not found.** above.

Other than the restrictions described in this section 10.15, there are no restrictions on the Company's distribution of dividends.

10.15.4 Manner of payment of dividends

Any future payments of dividends on the Shares will be denominated in NOK, and will be paid to the shareholders through the VPS. Investors registered in the VPS whose address is outside Norway and who have not supplied the VPS with details of any NOK account or linked a local cash account and swift address to their local bank, will however receive dividends by cheque in their local currency, as exchanged from the NOK amount distributed through the VPS. If it is not practical in the sole opinion of DNB Bank ASA, being the Company's VPS registrar, to issue a cheque in a local currency, a cheque will be issued in USD. The issuing and mailing of cheques will be executed in accordance with the standard procedures of DNB Bank ASA. The exchange rate(s) that is applied will be DNB Bank ASA's exchange rate on the date and time of day for execution of the exchange for the issuance of cheque. Dividends will be credited automatically to the VPS registered shareholders' NOK accounts, or in lieu of such registered NOK account, by cheque, without the need for shareholders to present documentation proving their ownership of the Shares.

10.16 Regulatory disclosures

Mandatory notification of trade

Date	Title	Description
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31 August 2022	Exercise of employee share options and share capital increase	Participants in the Company's share option program have on 31 August 2022 exercised a total of 5,265,000 options according to the option program for 2019 at a strike price of NOK 3.32. Each option gives a right to receive one share in the Company. The share options are described in note 16 in ABL Group's annual financial statements for 2021.
9 January 2023	ABL Group ASA: Mandatory notification of trade by primary insider	<p>The Company has been notified of the following transactions by primary insider and observer of the Board of Directors, Bjørn Stray:</p> <p>Purchase of 200,000 shares at NOK 14,50 per share.</p> <p>Following the share purchase, Mr Stray holds 6,217,743 shares in the Company.</p>
24 February 2022	Disclosure obligation	Innovemus AS, a company wholly owned by Oskar Bakkevig, has on 23 February 2023 purchased 660,000 shares in the Company, equivalent to 0,63% of the outstanding shares in the Company. Oskar Bakkevig also manages Holmen Spesialfond, which owns 10,450,000 shares in the Company, equivalent to 9,97% the outstanding shares. Thus, companies managed by Oskar Bakkevig in total holds 11,110,000 shares in the Company, equivalent to 10,60% of the outstanding shares.
19 April 2023	Disclosure obligation	The ownership percentage in the Company by companies managed by Oskar Bakkevig has been reduced to 9.31% of the outstanding shares.

Total number of voting rights and capital

Date	Title	Description
1 July 2022	Exercise of warrants	Bridgepoint has exercised 1 million warrants issued by the Company as part of the consideration for the Company's acquisition of the LOC Group in 2020. By exercising the warrants, Bridgepoint subscribed for 1 million new shares, each at a subscription price of NOK 0.10. Following the exercise, Bridgepoint has 1 million warrants outstanding.

4 July 2022	Exercise of warrants, new share capital registered	<p>The share capital increase as a result of the exercise of warrants announced on 1 July 2022 has been registered in the Norwegian Register of Business Enterprises.</p> <p>Following such registration, the Company has an issued share capital of NOK 9,792,258.30 divided on 97,922,583 shares each with a par value of NOK 0.10.</p> <p>Shares issued on the basis of the warrants will be subject to a lock-up period of 6 months from the date of issue.</p>
11 July 2022	ABL Group ASA to acquire Add Energy	<p>The Company has entered into an agreement to acquire 100 percent of the shares in energy and engineering consultancy Add Energy, thereby broadening ABL Group's service offering, enhancing recurring revenue services in the opex phase and gaining entry into digital optimization, carbon storage and energy efficiency services.</p> <p>The share purchase will be settled through a minor cash consideration to Add Energy's shareholders. The Company has also entered into an agreement to acquire substantially all interest-bearing debt in Add Energy through a consideration of NOK 20 million in Company shares that will be issued to Add Energy's main lender. These shares will be subject to a lock-up of 2 months from issuance.</p>
15 August 2022	Share capital increase	<p>The share capital increase pertaining to the shares issued to Add Energy's main lender announced on 11 July 2022 has been registered. Following registration, the company has an issued share capital of NOK 9,950,486.20, divided on 99,504,862 shares, each with a par value of NOK 0.10.</p>
31 August 2022	Exercise of employee share options and share capital increase	<p>On 31 August 2022 participants in the Company's share option program exercised a total of 5,265,000 options at a strike price of NOK 3.32.</p> <p>Each option gives a right to receive one share in the Company, in total 5,265,000 new shares, each with a par value of NOK 0.1.</p> <p>The shares issued as a result of the exercise were issued pursuant to an authorization granted by the General Meeting of the Company.</p>

The following options were exercised by primary insiders:

- 135,000 options exercised by the Company's CEO, Reuben Segal. Following the exercise, Segal and his close associates holds 1,933,003 shares in the Company.
- 135,000 options exercised by the Company's COO, Bader Diab. Following the exercise, Diab holds 1,652,695 shares in the Company.
- 135,000 options exercised the Will Cleverly, Managing Director Renewables. Following the exercise, Cleverly holds 178,931 shares and 100,000 share options in the Company.
- 135,000 options exercised by Haakon Brandrud, Director of Strategy and Corporate Development. Following the exercise, Brandrud holds 413,084 shares in the Company.

5 September 2022	Share capital increase	The share capital increase pertaining to the exercise of employee share options and share capital increase announced on 31 August 2022 has been registered with the Norwegian Register of Business Enterprises. The Company's new share capital is NOK 10,476,986.20 divided into 104,769,862 shares, each share having a par value of NOK 0.1 and carrying one vote in the Company's general meeting.
19 April 2023	New share capital registered	The share capital increase pertaining to the issuance of consideration shares to RGA AS, relating to the Company's acquisition of the shares in AGR AS has today been registered with the Norwegian Register of Business Enterprises. Following this, the Company's registered share capital is NOK 12,293,652.90 divided on 122,936,529 shares each with a par value of NOK 0.10.
Additional disclosed information		
Date	Title	Description
1 June 2022	Annual General Meeting 2022 held	All resolutions proposed in the notice to the Annual General Meeting were approved by the shareholders.

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1 June 2022	Dividend Approval and Ex Date	The Annual General Meeting of the Company, held 1 June 2022 at 11 am, approved the board proposal of distributing a dividend of NOK 0.30 per. share. The shares in the Company will be traded without the right to receive dividend as from 2 June 2022 (ex-date).
1 June 2022	ABL Group completes sale of loss adjusting business	The Company finalized a transaction regarding ABL Group's sale of its loss adjusting business. ABL Group's marine casualty management services and other services towards the global insurance market are not affected by the transactions.
8 June 2022	ABL Group ASA – New name registered	The Company has, in line with the approval from the annual general meeting in the Company, changed the Company's name from AqualisBraemar LOC ASA to ABL Group ASA.
10 June 2022	ABL Group ASA (AqualisBraemar LOC ASA) – New Ticker	The Company's ticker symbol has been changed from "AQUA" to "ABL".
10 August 2022	ABL Group ASA: Management change	Dean Zuzic submitted his notice of resignation as CFO in ABL Group ASA on 9 August 2022 to take on a new role outside the group.
2 September 2022	Financial calendar	Change of date for Q3 2022 quarterly report from October 28 th to November 3 rd 2022.
3 November 2022	ABL Group ASA: Key information relating to the cash dividend to be paid	<p>Dividend Amount: NOK 0.3 per share</p> <p>Declared currency: NOK</p> <p>Last day including right: 4 November 2022</p> <p>Ex-date: 7 November 2022</p> <p>Record date: 8 November 2022</p> <p>Payment date: On or about 11 November 2022</p> <p>Date of approval: 2 November 2022</p>
12 December 2022	ABL Group ASA appoints CFO	The Company has appointed Stuart Jackson as Chief Financial Officer (CFO), commencing on 23 January

2023. Jackson succeeds CFO Dean Zuzic who resigned from his current role on 9 August 2022.

12 December 2022 Financial calendar Financial calendar for ABL Group ASA

FINANCIAL YEAR 2022

28.02.2023 – Quarterly Report – Q4

FINANCIAL YEAR 2023

31.08.2023 – Half-yearly Report

27.04.2023 – Annual Report

31.05.2023 – Annual General Meeting

27.04.2023 – Quarterly Report – Q1

26.10.2023 – Quarterly Report – Q3

22 December 2022 ABL Group ASA:
Employee share
option program

The Board of Directors of the Company has granted a total of 1,000,000 share options to employees in accordance with the Company's long-term incentive plan (the "LTIP"), where each option will give the holder the right to acquire one share in the Company. The options are granted without consideration to employees that joined ABL Group in connection with the acquisition of Add Energy, and is aimed to align the interests of the participating employees with the Company's shareholders.

Exercise price: NOK 12.64.

Vesting: 11 July 2025.

Expiry: unexercised options will expire nine months after vesting, unless extended by the Board of Directors.

Conditions: (i) non-tradable, (ii) subject to the holder being employed by the Company.

Reinvestment: the option holders are obligated to reinvest 25 percent of the pre-tax net gain on the options in ABL shares, and to hold these shares for up to three years following exercise.

The Board of Directors may choose to settle the options by way of cash settlement in lieu of issuing new shares.

Exercise terms may be reasonably adjusted by the Board of Directors in the event of dividend payments, share splits or certain other events relating to the equity share capital of the Company.

Following the grant of options, the LTIP consists of the following outstanding options:

- 630,000 options vested 11 June 2022, with exercise price NOK 3.24

- 9,215,000 options vesting 14 December 2023, with exercise price NOK 5.53

- 1,000,000 options vesting 11 July 2025, with exercise price NOK 12.64

20 March 2023

ABL Group ASA:
ABL Group to
acquire AGR

The Company has entered into an agreement with a subsidiary of Akastor ASA to acquire 100 percent of AGR AS ("AGR"). The acquisition will bolster ABL Group's offering within well and reservoir consultancy, enhance the group's position supporting operators' digitalization and decarbonisation plans, and expand its opex-driven offshore energy exposure.

HIGHLIGHTS

- Accretive acquisition with strong industrial rationale.
 - Consolidating well and reservoir services with globally recognised brand.
 - High-end resource solutions platform positioned for growth in offshore wind.
 - Additional capability and track record in CCUS and energy transition solutions.
 - Strengthens ABL Group's software and digitalisation offering with fully commercialized platform.
 - The transaction will be funded through existing cash and issuance of consideration shares.
 - Shareholders representing approximately 40% of ABL Group shares have undertaken to support the transaction by voting in favour at the EGM.
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ABL Group ASA - Prospectus

23 March 2023	ABL Group ASA: Notice of an Extraordinary General Meeting	An Extraordinary General Meeting of the Company will be held on 13 April 2023 at 11:00 CET at the Company's offices, 3 rd floor, Haakon VII's Gate 6, 0161 OSLO.
13 April 2023	ABL Group ASA: Minutes from Extraordinary General Meeting	The Extraordinary General Meeting was held in ABL Group ASA on 13 April 2023. All matters were approved as proposed in the Notice to the Extraordinary General Meeting.
8 May 2023	ABL Group ASA: Notice of Annual General Meeting 2023	The Annual General Meeting of ABL Group ASA will be held on 31 May 2023 at 11:00 CET at the Company's offices, 3 rd floor, Haakon VII's Gate 6, 0161 Oslo.
28 April 2023	ABL Group ASA: Key information relating to the proposed cash dividend	<ul style="list-style-type: none"> • Dividend Amount: NOK 0.35 per share • Declared currency: NOK • Last day including right: 31 May 2023 • Ex-date: 1 June 2023 • Record date: 2 June 2023 • Payment date: On or about 15 June 2023 • Date of approval: 31 May 2023
31 May 2023	ABL Group ASA: Annual General Meeting 2023 held	All resolutions proposed in the notice to the Annual General Meeting were approved by the shareholders.
31 May 2023	ABL Group ASA: Dividend Approval and Ex Date	The Annual General Meeting in ABL Group ASA, held 31 May 2023 at 11 am, approved the Board's proposal of distributing a dividend of NOK 0.35 per share. The shares in ABL Group ASA will be traded without the right to receive dividend as from 1 June 2023 (ex-date). The dividend will be distributed to the shareholders on or about 15 June 2023.

Financial information

Date	Title	Description
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ABL Group ASA - Prospectus

31 August 2022	ABL Group ASA: Q2 2022 financial results	HIGHLIGHTS Q2 2022 <ul style="list-style-type: none">• Revenues of USD 41.4 million (Q2 21: USD 38.3 million)• Operating profit of USD 3.9 million (Q2 21: USD 2.3 million)• Adjusted EBIT of USD 4.7 million (Q2 21: USD 2.8 million)• Net cash of USD 8.7 million (Q1 22: USD 10.4 million)• Sale of Adjusting business unit completed end of May• Acquisition of Add Energy completed post quarter end in July
3 November 2022	ABL Group ASA: Q3 2022 financial results	HIGHLIGHTS Q3 2022 <ul style="list-style-type: none">• Revenues of USD 44.1 million (Q3 21: USD 38.0 million)• Operating profit of USD 3.3 million (Q3 21: USD 1.3 million)• Adjusted EBIT of USD 4.0 million (Q3 21: USD 2.0 million)• Net cash of USD 15.1 million (Q2 22: USD 8.7 million)• Acquisition of Add Energy completed in July• Semi-annual dividend of NOK 0.3 per share declared – to be paid in November
28 February 2023	ABL Group ASA: Q4 2022 financial results	HIGHLIGHTS Q4 2022 <ul style="list-style-type: none">• Revenues of USD 42.8 million (Q4 21: USD 37.8 million)• Operating profit of USD 2.5 million (Q4 21: USD 1.9 million)• Adjusted EBIT of USD 3.5 million (Q4 21: USD 2.5 million)

- Net cash of USD 17.6 million (Q3 22: USD 15.1 million)
- Proposing semi-annual dividend of NOK 0.35 per share in H1 2023

HIGHLIGHTS FULL YEAR 2022

- Revenue of USD 167.9 million (2021: USD 150.7 million)
- Operating profit of USD 12.5 million (2021: USD 7.4 million)
- Adjusted EBIT of USD 15.5 million (2021: USD 9.6 million)
- Total dividend of NOK 0.6 per share paid during 2022
- Completed sale of Loss Adjusting business, now trading independently as SteegeXP
- Completed acquisition of Add Energy Group, adding wells consulting and asset integrity as business areas

27 April 2023

ABL Group ASA:
Q1 2023 financial
results

HIGHLIGHTS Q1 2023

- Revenues of USD 45.2 million (Q1 22: USD 39.6 million)
 - Operating profit of USD 2.7 million (Q1 22: USD 2.8 million)
 - Adjusted EBIT of USD 3.6 million (Q1 22: USD 3.4 million)
 - Net cash of USD 16.3 million (Q4 22: USD 17.6 million)
 - Acquisition of AGR completed on 18 April
 - Proposed semi-annual dividend of NOK 0.35 per share in H1 2023 upheld
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11. SECURITIES TRADING IN NORWAY

This Section 11 includes certain aspects of rules pertaining to securities trading in Norway in a Norwegian incorporated company pursuant to Norwegian legislation, but is however not a full or complete description of the matters described herein. The following summary does not purport to be a comprehensive description of all the legal considerations that may be relevant to a decision to purchase, own or dispose of Shares. Investors are advised to consult their own legal advisors concerning the overall legal consequences of their ownership of Shares. Prior to the Private Placement, the Shares have not been listed or traded on any stock exchange or regulated market.

11.1 Introduction

The Oslo Stock Exchange was established in 1819 and offers the only regulated market for securities trading in Norway. The Oslo Stock Exchange is operated by Oslo Børs ASA, which is 100% owned by Euronext Nordics Holding AS, which acquired the Oslo Stock Exchange on 18 June 2019. Euronext owns seven regulated markets across Europe, including Amsterdam, Brussels, Dublin, Lisbon, London, Oslo and Paris.

11.2 Market value of the Shares

The market value of all shares on Oslo Børs, including the Shares, may fluctuate significantly, which could cause investors to lose a significant part of their investment. The market value of listed shares could fluctuate significantly in response to a number of factors beyond the respective issuer's control, including quarterly variations in operating results, adverse business developments, changes in financial estimates and investment recommendations or ratings by securities analysts, announcements by the respective issuer or its competitors of new product and service offerings, significant contracts, acquisitions or strategic relationships, publicity about the issuer, its products and services or its competitors, lawsuits against the issuer, unforeseen liabilities, changes in management, changes to the regulatory environment in which the issuer operates or general market conditions.

Furthermore, future issuances of shares or other securities may dilute the holdings of shareholders and could materially affect the price of the shares. Any issuer, including the Company, may in the future decide to offer additional shares or other securities to finance new capital-intensive projects, in connection with unanticipated liabilities or expenses or for any other purposes, including for refinancing purposes. There are no assurances that any of the issuers on Oslo Børs will not decide to conduct further offerings of securities in the future. Depending on the structure of any future offering, certain existing shareholders may not have the ability to purchase additional equity securities. If a listed company raises additional funds by issuing additional equity securities, the holdings and voting interests of existing shareholders could be diluted, and thereby affect share price.

11.3 Trading and settlement

As of the date of this Prospectus, trading of equities on the Oslo Stock Exchange is carried out in the electronic Euronext in-house developed trading system, Optiq®.

Official trading on Oslo Børs takes place between 09:00 hours CEST and 16:20 hours CEST each trading day, with pre-trade period between 08:15 hours CEST and 09:00 hours CEST, closing auction from 16:20 hours CEST to 16:25 hours CEST and a post-trade period from 16:25 hours CEST to 17:30 hours CEST. Reporting of after exchange trades can be done until 17:30 hours CEST.

The settlement period for trading on Oslo Børs is two trading days (T+2). This means that securities will be settled on the investor's account in VPS two days after the transaction, and that the sellers will receive payment after two days.

SIX x-clear Ltd has a license from the Norwegian Ministry of Finance to act as a central counterparty and provide clearing services in Norway, and has since 2010 (until 2014 through the subsidiary Oslo Clearing ASA) offered clearing and counterparty services for equity trading on Oslo Børs.

Investment services in Norway may only be provided by Norwegian investment firms holding a licence under the Norwegian Securities Trading Act, branches of investment firms from an EEA member state or investment firms from outside the EEA that have been licenced to operate in Norway. Investment firms in an EEA member state may also provide cross-border investment services into Norway.

It is possible for investment firms to undertake market-making activities in shares listed in Norway if they have a licence to this effect under the Norwegian Securities Trading Act, or in the case of investment firms in an EEA member state, a licence to carry out market-making activities in their home jurisdiction. Such market-making activities will be governed by the regulations of the Norwegian Securities Trading Act relating to brokers' trading for their own account. However, such market-making activities do not as such require notification to the Norwegian FSA or Oslo Børs except for the general obligation of investment firms that are members of Oslo Børs to report all trades in stock exchange listed securities.

11.4 Information, control and surveillance

Under Norwegian law, Oslo Børs is required to perform a number of surveillance and control functions. The Surveillance and Corporate Control unit of Oslo Børs monitors market activity on a continuous basis. Market surveillance systems are largely automated, promptly warning department personnel of abnormal market developments.

The Norwegian FSA controls the issuance of securities in both the equity and bond markets in Norway and evaluates whether the issuance documentation contains the required information and whether it would otherwise be unlawful to carry out the issuance.

Under Norwegian law, a company that is listed on a Norwegian regulated market, or has applied for listing on such market, must promptly release any inside information directly concerning the company (i.e. precise information about financial instruments, the issuer thereof or other matters which are likely to have a significant effect on the price of the relevant financial instruments or related financial instruments, and which are not publicly available or commonly known in the market). A company may, however, delay the release of such information in order not to prejudice its legitimate interests, provided that it is able to ensure the confidentiality of the information and that the delayed release would not be likely to mislead the public. Oslo Børs may levy fines on companies violating these requirements.

11.5 The VPS and transfer of Shares

The Company's principal share register is operated through the VPS. The VPS is the Norwegian paperless centralised securities register. It is a computerised book-keeping system in which the ownership of, and all transactions relating to, Norwegian listed shares must be recorded. The VPS (legal entity: Verdipapirsentralen ASA) and Oslo Børs (legal entity: Oslo Børs ASA) are currently both wholly-owned by Euronext Nordics Holding AS.

All transactions relating to securities registered with the VPS are made through computerised book entries. No physical share certificates are, or may be, issued. The VPS confirms each entry by sending a transcript to the registered shareholder irrespective of any beneficial ownership. To give effect to such entries, the individual shareholder must establish a share account with a Norwegian account agent. Norwegian banks, Norges Bank (being, Norway's central bank), authorised securities brokers in Norway and Norwegian branches of credit institutions established within the EEA are allowed to act as account agents.

As a matter of Norwegian law, the entry of a transaction in the VPS is prima facie evidence in determining the legal rights of parties as against the issuing company or any third party claiming an interest in the given security. A transferee or assignee of shares may not exercise the rights of a shareholder with respect to such shares unless such transferee or assignee has registered such shareholding or has reported and shown evidence of such share acquisition, and the acquisition is not prevented by law, the relevant company's articles of association or otherwise.

The VPS is liable for any loss suffered as a result of faulty registration or an amendment to, or deletion of, rights in respect of registered securities unless the error is caused by matters outside the VPS' control which the VPS could not reasonably be expected to avoid or overcome the consequences of. Damages payable by the VPS may, however, be reduced in the event of contributory negligence by the aggrieved party.

The VPS must provide information to the Norwegian FSA on an ongoing basis, as well as any information that the Norwegian FSA requests. Further, Norwegian tax authorities may require certain information from the VPS regarding any individual's holdings of securities, including information about dividends and interest payments.

11.6 Shareholder register – Norwegian law

Under Norwegian law, shares are registered in the name of the beneficial owner of the shares. As a general rule, there are no arrangements for nominee registration, and Norwegian shareholders are not allowed to register their shares in the VPS through a nominee. However, foreign shareholders may register their shares in the VPS in the name of a nominee (bank or other nominee) approved by the Norwegian FSA. An approved and registered nominee has a duty to provide information on demand about beneficial shareholders to the issuer and to the Norwegian authorities. In case of registration by nominees, the registration in the VPS must show that the registered owner is a nominee. A registered nominee has the right to receive dividends and other distributions but cannot vote on shares at general meetings on behalf of the beneficial owners.

11.7 Foreign investment in Norwegian shares

Foreign investors may trade shares listed on Oslo Børs through any broker that is a member of Oslo Børs, whether Norwegian or foreign.

11.8 Disclosure obligations

If a person's, entity's or consolidated group's proportion of the total issued shares and/or rights to shares in an issuer with its shares listed on a regulated market in Norway (with Norway as its home state, which will be the case for the Company) reaches, exceeds or falls below the respective thresholds of 5%, 10%, 15%, 20%, 25%, 1/3, 50%, 2/3 or 90% of the share capital or the voting rights of that issuer, the person, entity or group in question has an obligation under the Norwegian Securities Trading Act to notify Oslo Børs and the issuer immediately. The same applies if the disclosure thresholds are passed due to other circumstances, such as a change in the Company's share capital.

11.9 Insider trading

According to Norwegian law, subscription for, purchase, sale or exchange of financial instruments that are listed, or subject to the application for listing, on a Norwegian regulated market, or incitement to such dispositions, must not be undertaken by anyone who has inside information, as defined in Article 7 of Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (i.e. the market abuse regulation) and as implemented into Norwegian law by Section 3-1 of the Norwegian Securities Trading Act. The same applies to the entry into, purchase, sale or

exchange of options or futures/forward contracts or equivalent rights whose value is connected to such financial instruments or incitement to such dispositions.

11.10 Mandatory offer requirement

The Norwegian Securities Trading Act requires any person, entity or consolidated group that becomes the owner of shares representing more than one-third of the voting rights of a company listed on a Norwegian regulated market (with the exception of certain foreign companies not including the Company) to, within four weeks, make an unconditional general offer for the purchase of the remaining shares in that company. A mandatory offer obligation may also be triggered where a party acquires the right to become the owner of shares that, together with the party's own shareholding, represent more than one-third of the voting rights in the company and Oslo Børs decides that this is regarded as an effective acquisition of the shares in question.

The mandatory offer obligation ceases to apply if the person, entity or consolidated group sells the portion of the shares that exceeds the relevant threshold within four weeks of the date on which the mandatory offer obligation was triggered.

When a mandatory offer obligation is triggered, the person subject to the obligation is required to immediately notify Oslo Børs and the company in question accordingly. The notification is required to state whether an offer will be made to acquire the remaining shares in the company or whether a sale will take place. As a rule, a notification to the effect that an offer will be made cannot be retracted. The offer and the offer document required are subject to approval by Oslo Børs before the offer is submitted to the shareholders or made public.

The offer price per share must be at least as high as the highest price paid or agreed by the offeror for the shares in the six-month period prior to the date the threshold was exceeded. If the acquirer acquires or agrees to acquire additional shares at a higher price prior to the expiration of the mandatory offer period, the acquirer is obliged to restate its offer at such higher price. A mandatory offer must be in cash or contain a cash alternative at least equivalent to any other consideration offered.

In case of failure to make a mandatory offer or to sell the portion of the shares that exceeds the relevant threshold within four weeks, Oslo Børs may force the acquirer to sell the shares exceeding the threshold by public auction. Moreover, a shareholder who fails to make an offer may not, as long as the mandatory offer obligation remains in force, exercise rights in the company, such as voting in a general meeting, without the consent of a majority of the remaining shareholders. The shareholder may, however, exercise his/her/its rights to dividends and pre-emption rights in the event of a share capital increase. If the shareholder neglects his/her/its duty to make a mandatory offer, Oslo Børs may impose a cumulative daily fine that runs until the circumstance has been rectified.

Any person, entity or consolidated group that owns shares representing more than one-third of the votes in a company listed on a Norwegian regulated market (with the exception of certain foreign companies not including the Company) is obliged to make an offer to purchase the remaining shares of the company (repeated offer obligation) if the person, entity or consolidated group through acquisition becomes the owner of shares representing 40%, or more of the votes in the company. The same applies correspondingly if the person, entity or consolidated group through acquisition becomes the owner of shares representing 50% or more of the votes in the company. The mandatory offer obligation ceases to apply if the person, entity or consolidated group sells the portion of the shares which exceeds the relevant threshold within four weeks of the date on which the mandatory offer obligation was triggered.

Any person, entity or consolidated group that has passed any of the above mentioned thresholds in such a way as not to trigger the mandatory bid obligation, and has therefore not previously made an offer for the remaining shares in the company in accordance with the mandatory offer rules is, as a main

rule, obliged to make a mandatory offer in the event of a subsequent acquisition of shares in the company.

11.11 Compulsory acquisition

Pursuant to the Norwegian Public Companies Act and the Norwegian Securities Trading Act, a shareholder who, directly or through subsidiaries, acquires shares representing 90% or more of the total number of issued shares in a Norwegian public limited company, as well as 90% or more of the total voting rights, has a right, and each remaining minority shareholder of the issuer has a right to require such majority shareholder, to effect a compulsory acquisition for cash of the shares not already owned by such majority shareholder. Through such compulsory acquisition the majority shareholder becomes the owner of the remaining shares with immediate effect.

If a shareholder acquires shares representing 90% or more of the total number of issued shares, as well as 90% or more of the total voting rights, through a voluntary offer in accordance with the Norwegian Securities Trading Act, a compulsory acquisition can, subject to the following conditions, be carried out without such shareholder being obliged to make a mandatory offer: (i) the compulsory acquisition is commenced no later than four weeks after the acquisition of shares through the voluntary offer, (ii) the price offered per share is equal to or higher than what the offer price would have been in a mandatory offer, and (iii) the settlement is guaranteed by a financial institution authorised to provide such guarantees in Norway.

A majority shareholder who effects a compulsory acquisition is required to offer the minority shareholders a specific price per share, the determination of which is at the discretion of the majority shareholder. However, where the offeror, after making a mandatory or voluntary offer, has acquired 90% or more of the voting shares of an issuer and a corresponding proportion of the votes that can be cast at the general meeting, and the offeror pursuant to section 4-25 of the Norwegian Public Companies Act completes a compulsory acquisition of the remaining shares within three months after the expiry of the offer period, it follows from the Norwegian Securities Trading Act that the redemption price shall be determined on the basis of the offer price for the mandatory and/or voluntary offer unless specific reasons indicate that another price is the fair price.

Should any minority shareholder not accept the offered price, such minority shareholder may, within a specified deadline of not less than two months, request that the price be set by a Norwegian court. The cost of such court procedure will, as a general rule, be the responsibility of the majority shareholder, and the relevant court will have full discretion in determining the consideration to be paid to the minority shareholder as a result of the compulsory acquisition.

Absent a request for a Norwegian court to set the price, or any other objection to the price being offered in a compulsory acquisition, the minority shareholders would be deemed to have accepted the offered price after the expiry of the specified deadline for raising objections to the price offered in the compulsory acquisition.

11.12 Foreign exchange controls

There are currently no foreign exchange control restrictions in Norway that would potentially restrict the payment of dividends to a shareholder outside Norway, and there are currently no restrictions that would affect the right of shareholders of a company that has its shares registered with the VPS who are not residents in Norway to dispose of their shares and receive the proceeds from a disposal outside Norway. There is no maximum transferable amount either to or from Norway, although transferring banks are required to submit reports on foreign currency exchange transactions into and out of Norway into a central data register maintained by the Norwegian customs and excise authorities. The Norwegian police, tax authorities, customs and excise authorities, the National Insurance Administration and the Norwegian FSA have electronic access to the data in this register.

12. TAXATION

Set out below is a summary of certain Norwegian tax matters related to an investment in the Group. The summary regarding Norwegian taxation is based on the laws in force in Norway as of the date of this Prospectus, which may be subject to any changes in law occurring after such date. Such changes could possibly be made on a retrospective basis.

The following summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of the shares in the Group. Shareholders who wish to clarify their own tax situation should consult with and rely upon their own tax advisers. Shareholders resident in jurisdictions other than Norway and shareholders who cease to be resident in Norway for tax purposes (due to domestic tax law or tax treaty) should specifically consult with and rely upon their own tax advisers with respect to the tax position in their country of residence and the tax consequences related to ceasing to be resident in Norway for tax purposes.

Please note that for the purpose of the summary below, a reference to a Norwegian or non-Norwegian shareholder refers to the tax residency rather than the nationality of the shareholder.

The tax legislation in the Company's jurisdiction of incorporation and the tax legislation in the jurisdictions in which the shareholders are resident for tax purposes may have an impact on the income received from the Shares.

12.1 Taxation of dividend

Norwegian Personal Shareholders

Dividends distributed by the Company to shareholders who are individuals resident in Norway for tax purposes ("**Norwegian Personal Shareholders**") are taxable in Norway for such shareholders currently at an effective rate of 35.2% to the extent the dividend exceeds a tax-free allowance; i.e. dividends received, less the tax-free allowance, shall be multiplied by 1.6 which are then included as ordinary income taxable at a flat rate of 22%, increasing the effective tax rate on dividends received by Norwegian Personal Shareholders to 35.2%.

The allowance is calculated on a share-by-share basis. The allowance for each share is equal to the cost price of the share multiplied by a determined risk free interest rate based on the effective rate of interest on treasury bills (Nw.: statskasseveksler) with three months maturity plus 0.5 percentage points, after tax. The allowance is calculated for each calendar year, and is allocated solely to Norwegian Personal Shareholders holding shares at the expiration of the relevant calendar year.

Norwegian Personal Shareholders who transfer shares will thus not be entitled to deduct any calculated allowance related to the year of transfer. Any part of the calculated allowance one year exceeding the dividend distributed on the share ("**Excess Allowance**") may be carried forward and set off against future dividends received on, or gains upon realization, of the same share. Any Excess Allowance on a share may also be added to the cost price of such share for the purposes of calculating the tax-free allowance as described above.

Norwegian Personal Shareholders may hold the shares through a Norwegian share saving account (Nw.: aksjesparekonto). Dividends received on shares held through a share saving account will not be taxed with immediate effect. Instead, withdrawal of funds from the share saving account exceeding the paid in deposit will be regarded as taxable income, regardless of whether the funds are derived from gains or dividends related to the shares held in the account. Such income will be taxed with an effective tax rate of 35.2%, cf. above. Norwegian Personal Shareholders will still be entitled to a calculated tax-free allowance. Please refer to Section 12.2 "Taxation of capital gains on realization of shares" –

Norwegian personal shareholders" for further information in respect of Norwegian share saving accounts.

Norwegian Corporate Shareholders

Dividends distributed from the Group to shareholders who are limited liability companies (and certain similar entities) resident in Norway for tax purposes ("**Norwegian Corporate Shareholders**"), are effectively taxed at a rate of 0.66% (3% of dividend income from such shares is included in the calculation of ordinary income for Norwegian Corporate Shareholders and ordinary income is subject to tax at a flat rate of 22%). For Norwegian Corporate Shareholders that are considered to be "Financial Institutions" under the Norwegian financial activity tax (banks, holding companies), the effective rate of taxation for dividends is 0.75%.

Non-Norwegian Personal Shareholders

Dividends distributed to shareholders who are individuals not resident in Norway for tax purposes ("**Non-Norwegian Personal Shareholders**"), are as a general rule subject to withholding tax at a rate of 25%. The withholding tax rate of 25% is normally reduced through tax treaties between Norway and the country in which the shareholder is resident. It is the Non-Norwegian Personal Shareholder which is responsible for the registration of tax residency. The registration will be the basis for the calculation of withholding tax on dividends according to the applicable tax treaty. The withholding obligation lies with the company distributing the dividends and the Group assumes this obligation.

Non-Norwegian Personal Shareholders resident within the EEA for tax purposes may apply individually to Norwegian tax authorities for a refund of an amount corresponding to the calculated tax-free allowance on each individual share (please see Section 12.1 "Taxation of dividend"). However, the deduction for the tax-free allowance does not apply in the event that the withholding tax rate, pursuant to an applicable tax treaty, leads to a lower taxation on the dividends than the withholding tax rate of 25% less the tax-free allowance.

If a Non-Norwegian Personal Shareholder is carrying on business activities in Norway and the shares are effectively connected with such activities, the shareholder will generally be subject to the same taxation of dividends as a Norwegian Personal Shareholder, as described above.

Non-Norwegian Personal Shareholders who have suffered a higher withholding tax than set out in an applicable tax treaty may apply to the Norwegian tax authorities for a refund of the excess withholding tax deducted.

All Non-Norwegian Personal Shareholders must document their entitlement to a reduced withholding tax rate by obtaining a certificate of residence issued by the tax authorities in the shareholder's country of residence, confirming that the shareholder is resident in that state. The documentation must be provided to either the nominee or the account operator (VPS) and cannot be older than three years.

Non-Norwegian Personal Shareholders should consult their own advisers regarding the availability of treaty benefits in respect of dividend payments, including the possibility of effectively claiming a refund of withholding tax.

Non-Norwegian Personal Shareholders resident in the EEA for tax purposes may hold their shares through a Norwegian share saving account. Dividends received on, and gains derived upon the realization of, shares held through a share saving account by a Non-Norwegian Personal Shareholder resident in the EEA will not be taxed with immediate effect. Instead, withdrawal of funds from the share saving account exceeding the Non-Norwegian Personal Shareholder's paid in deposit, will be subject to withholding tax at a rate of 25% (unless reduced pursuant to an applicable tax treaty). Capital gains realized upon realization of shares held through the share saving account will be regarded as paid in

deposits, which may be withdrawn without taxation. Losses will correspondingly be deducted from the paid in deposit, reducing the amount which can be withdrawn without withholding tax.

The obligation to deduct and report withholding tax on shares held through a share saving account, cf. above, lies with the account operator.

Non-Norwegian Corporate Shareholders

Dividends distributed to shareholders who are limited liability companies (and certain other entities) not resident in Norway for tax purposes ("**Non-Norwegian Corporate Shareholders**"), are as a general rule subject to withholding tax at a rate of 25%. The withholding tax rate of 25% is normally reduced through tax treaties between Norway and the country in which the shareholder is resident, provided that the shareholder is the beneficial owner of the share. It is the Non-Norwegian Corporate Shareholder which is responsible for the registration of tax residency. The registration will be the basis for the calculation of withholding tax on dividends according to the applicable tax treaty.

Dividends distributed to Non-Norwegian Corporate Shareholders resident within the EEA for tax purposes are exempt from Norwegian withholding tax provided that the shareholder is genuinely established and performs genuine economic business activities within the relevant EEA jurisdiction.

If a Non-Norwegian Corporate Shareholder is carrying on business activities in Norway and the shares are effectively connected with such activities, the shareholder will generally be subject to the same taxation of dividends as a Norwegian Corporate Shareholder, as described above.

Non-Norwegian Corporate Shareholders who are exempt from withholding tax or have suffered a higher withholding tax than set out in an applicable tax treaty may apply to the Norwegian tax authorities for a refund of the excess withholding tax deducted.

Nominee registered shares will be subject to withholding tax at a rate of 25% unless the nominee has obtained approval from the Norwegian tax authorities for the dividend to be subject to a lower withholding tax rate. To obtain such approval the nominee is required to submit a confirmation to the Norwegian tax authorities that the nominee upon request from the Norwegian tax authorities will produce documentation on all the beneficial owners that are subject to withholding tax at a reduced rate to the tax authorities.

The withholding obligation in respect of dividends distributed to Non-Norwegian Corporate Shareholders and on nominee registered shares lies with the company distributing the dividends and the Group assumes this obligation.

12.2 Taxation of capital gains on realisation of shares

Norwegian Personal Shareholders

Sale, redemption or other disposal of shares is considered a realization for Norwegian tax purposes. A capital gain or loss generated by a Norwegian Personal Shareholder through a disposal of shares is taxable or tax deductible in Norway. The effective tax rate on gain or loss related to shares realized by Norwegian Personal Shareholders is currently 35.2%; i.e. capital gains (less the tax-free allowance) and losses shall be multiplied by 1.6 which are then included in or deducted from the Norwegian Personal Shareholder's ordinary income in the year of disposal. Ordinary income is taxable at a flat rate of 22%, increasing the effective tax rate on gains/losses realized by Norwegian Personal Shareholders to 35.2%.

The gain is subject to tax and the loss is tax deductible irrespective of the duration of the ownership and the Norwegian Personal Shareholder's percentage interest in the Group prior to the disposal.

The taxable gain/deductible loss is calculated per share as the difference between the consideration for the share and the Norwegian Personal Shareholder's cost price of the share, including costs incurred in relation to the acquisition or realisation of the share. From this capital gain, Norwegian Personal Shareholders are entitled to deduct a calculated tax-free allowance provided that such tax-free allowance has not already been used to reduce taxable dividend income. Please refer to Section 12.1 "Taxation of dividend" above for a description of the calculation of the tax-free allowance. The tax-free allowance may only be deducted in order to reduce a taxable gain, and cannot increase or produce a deductible loss, i.e. any unused allowance exceeding the capital gain upon the realisation of a share will be annulled.

If the Norwegian Personal Shareholder owns shares acquired at different points in time, the shares that were acquired first will be regarded as the first to be disposed of, on a first-in first-out basis.

Special rules apply for Norwegian Personal Shareholders that cease to be tax-resident in Norway.

Norwegian Personal Shareholders may hold their shares through a share savings account (NO: aksjesparekonto). If the shares are held on a share savings account gains are not taxed until profits are withdrawn from the share savings account. Losses are first deductible upon closing of the share savings account. The rules for tax-free allowance also apply to share savings accounts as a whole.

Norwegian Corporate Shareholders

Norwegian Corporate Shareholders are exempt from tax on capital gains derived from the realisation of shares qualifying for participation exemption, including shares in the Group. Losses upon the realisation and costs incurred in connection with the purchase and realisation of such shares are not deductible for tax purposes.

Non-Norwegian Personal Shareholders

Gains from the sale or other disposal of shares by a Non-Norwegian Personal Shareholder will not be subject to taxation in Norway unless the Non-Norwegian Personal Shareholder holds the shares in connection with business activities carried out or managed from Norway or, on specific conditions, when the shares are held by a Non-Norwegian Personal Shareholder who has been a resident of Norway for tax purposes with unsettled/postponed exit tax calculated on the shares at the time of cessation as Norwegian tax resident.

Non-Norwegian Corporate Shareholders

Capital gains derived by the sale or other realisation of shares by Non-Norwegian Corporate Shareholders are generally not subject to taxation in Norway.

12.3 Net wealth tax

The value of shares is included in the basis for the computation of net wealth tax imposed on Norwegian Personal Shareholders. Currently, the wealth tax rate is 0.95% on net wealth exceeding NOK 1,700,000 and up to NOK 20,000,000, and 1.1% for the net wealth exceeding NOK 20,000,000. The value for assessment purposes for listed shares is equal to 75% of the listed value as of 1 January in the year of assessment (i.e. the year following the relevant fiscal year). The value of debt allocated to the listed shares for Norwegian wealth tax purposes is reduced correspondingly (i.e. to 75%). Norwegian Corporate Shareholders are not subject to net wealth tax.

Norwegian Corporate Shareholders are not subject to net wealth tax.

Non-Norwegian (Personal and Corporate) Shareholders are generally not subject to Norwegian net wealth tax. Non-Norwegian Personal Shareholders can, however, be taxable if the shareholding is effectively connected to the conduct of trade or business in Norway.

12.4 VAT and transfer taxes

No VAT, stamp or similar duties are currently imposed in Norway on the transfer or issuance of shares.

12.5 Inheritance tax

A transfer of shares through inheritance or as a gift does not give rise to inheritance or gift tax in Norway. However, the heir acquires the donor's tax input value based on principles of continuity. Thus, the heir will be taxable for any increase in value in the donor's ownership, at the time of the heir's realization.

13. SELLING AND TRANSFER RESTRICTIONS

13.1 Overview

As a consequence of the following restrictions, prospective investors are advised to consult legal counsel prior to making any offer, resale, pledge or other transfer of the Shares offered hereby.

Other than in Norway, the Company is not taking any action to permit a public offering of the Shares in any jurisdiction. Receipt of this Prospectus will not constitute an offer in those jurisdictions in which it would be illegal to make an offer, and, in those circumstances, this Prospectus is for information only and should not be copied or redistributed. Except as otherwise disclosed in this Prospectus, if an investor receives a copy of this Prospectus in any jurisdiction other than Norway, the investor may not treat this Prospectus as constituting an invitation or offer to it, nor should the investor in any event deal in the Shares, unless, in the relevant jurisdiction, such an invitation or offer could lawfully be made to that investor, or the Shares could lawfully be dealt in without contravention of any unfulfilled registration or other legal requirements. Accordingly, if an investor receives a copy of this Prospectus, the investor should not distribute or send the same, or transfer Shares, to any person or in or into any jurisdiction where to do so would or might contravene local securities laws or regulations.

13.2 Selling restrictions

13.2.1 United States

The Offer Shares have not been and will not be registered under the U.S. Securities Act, and may not be offered or sold except: (i) within the United States to QIBs in reliance on Rule 144A; or (ii) to certain persons in offshore transactions in compliance with Regulation S under the U.S. Securities Act, and in accordance with any applicable securities laws of any state or territory of the United States or any other jurisdiction. Accordingly, the Managers has represented and agreed that it has not offered or sold, and will not offer or sell, any of the Offer Shares as part of its allocation at any time other than to QIBs in the United States in accordance with Rule 144A or outside of the United States in compliance with Rule 903 of Regulation S. Transfer of the Offer Shares will be restricted and each purchaser of the Offer Shares in the United States will be required to make certain acknowledgements, representations and agreements, as described under Section 13.3.1 "—Transfer restrictions—United States".

Any offer or sale in the United States will be made by affiliates of the Managers who are broker dealers registered under the U.S. Exchange Act. In addition, until 40 days after the commencement of the Subsequent Offering, an offer or sale of Offer Shares within the United States by a dealer, whether or not participating in the Subsequent Offering, may violate the registration requirements of the U.S. Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A of the U.S. Securities Act and in connection with any applicable state securities laws. Nordea will only be participating in the Subsequent Offering outside of the United States. No action taken by the Company or any of the other Managers in the United States shall be attributed to Nordea.

13.2.2 United Kingdom

This Prospectus and any other material in relation to the Subsequent Offering described herein is only being distributed to, and is only directed at persons in the United Kingdom who are qualified investors within the meaning of the Prospectus Regulation ("qualified investors") that are also (i) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order"); (ii) high net worth entities or other persons falling within Article 49(2)(a) to (d) of the Order; or (iii) persons to whom distributions may otherwise lawfully be made (all such persons together being referred to as "Relevant Persons"). The Offer Shares are only available to, and any investment or investment activity to which this Prospectus relates is available only to, and will be engaged in only with, Relevant Persons). This Prospectus and its contents are confidential and

should not be distributed, published or reproduced (in whole or in part) or disclosed by recipients to any other person in the United Kingdom. Persons who are not Relevant Persons should not take any action on the basis of this Prospectus and should not rely on it.

13.2.3 European Economic Area

In relation to each Relevant Member State, an offer to the public of any Offer Shares which are the subject of the offering contemplated by this Prospectus may not be made in that Relevant Member State, other than the offering in Norway as described in this Prospectus, once the Prospectus has been approved by the competent authority in Norway and published in accordance with the Prospectus Regulation (as implemented in Norway), except that an offer to the public in that Relevant Member State of any Offer Shares may be made at any time under the following exemptions under the Prospectus Regulation, if they have been implemented in that Relevant Member State:

- A. to legal entities which are qualified investors as defined in the Prospectus Regulation;
- B. to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation), as permitted under the Prospectus Regulation, subject to obtaining the prior consent of the Managers for any such offer, or in any other circumstances falling within the Prospectus Regulation; provided that no such offer of Offer Shares shall require the Company or any Managers to publish a prospectus pursuant to the Prospectus Regulation or supplement a prospectus to the Prospectus Regulation.

For the purposes of this provision, the expression an "offer to the public" in relation to any Offer Shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and any Securities to be offered so as to enable an investor to decide to purchase any Offer Shares. This EEA selling restriction is in addition to any other selling restrictions set out in this Prospectus.

13.2.4 Additional jurisdictions

Canada

This Prospectus is not, and under no circumstance is to be construed as, a prospectus, an advertisement or a public offering of the Offer Shares in Canada or any province or territory thereof. Any offer or sale of the Offer Shares in Canada will be made only pursuant to an exemption from the requirements to file a prospectus with the relevant Canadian securities regulators and only by a dealer properly registered under applicable provincial securities laws or, alternatively, pursuant to an exemption from the dealer registration requirement in the relevant province or territory of Canada in which such offer or sale is made.

Hong Kong

The Offer Shares may not be offered or sold in Hong Kong by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap. 32) of Hong Kong, or (ii) to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made there under, or (iii) in other circumstances which do not result in the document being a "prospectus" within the meaning of the Companies Ordinance (Cap. 32) of Hong Kong, and no advertisement, invitation or document relating to the Offer Shares may be issued or may be in the possession of any person for the purposes of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Offer Shares which are or are intended to be

disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made there under.

Singapore

This Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Offer Shares may not be circulated or distributed, nor may they be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "**SFA**"), (ii) to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Other jurisdictions

The Offer Shares may not be offered, sold, resold, transferred or delivered, directly or indirectly, in or into, Japan, Australia or any other jurisdiction in which it would not be permissible to offer the Offer Shares.

In jurisdictions outside the United States and the EEA where the Subsequent Offering would be permissible, the Offer Shares will only be offered pursuant to applicable exceptions from prospectus requirements in such jurisdictions.

13.3 Transfer restrictions

13.3.1 United States

The Offer Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Terms defined in Rule 144A or Regulation S shall have the same meaning when used in this section.

Each purchaser of the Offer Shares outside the United States pursuant to Regulation S will be deemed to have acknowledged, represented and agreed that it has received a copy of this Prospectus and such other information as it deems necessary to make an informed decision and that:

- The purchaser is authorised to consummate the purchase of the Offer Shares in compliance with all applicable laws and regulations.
- The purchaser acknowledges that the Offer Shares have not been and will not be registered under the U.S. Securities Act, or with any securities regulatory authority or any state of the United States, and are subject to significant restrictions on transfer.
- The purchaser is, and the person, if any, for whose account or benefit the purchaser is acquiring the Offer Shares was, located outside the United States at the time the buy order for the Offer Shares was originated and continues to be located outside the United States and has not purchased the Offer Shares for the benefit of any person in the United States or entered into any arrangement for the transfer of the Offer Shares to any person in the United States.
- The purchaser is not an affiliate of the Company or a person acting on behalf of such affiliate, and is not in the business of buying and selling securities or, if it is in such

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business, it did not acquire the Offer Shares from the Company or an affiliate thereof in the initial distribution of such Shares.

- The purchaser is aware of the restrictions on the offer and sale of the Offer Shares pursuant to Regulation S described in this Prospectus.
- The Offer Shares have not been offered to it by means of any "directed selling efforts" as defined in Regulation S.
- The Company shall not recognise any offer, sale, pledge or other transfer of the Offer Shares made other than in compliance with the above restrictions.
- The purchaser acknowledges that the Company, the Managers and their respective advisers will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

Each purchaser of the Offer Shares within the United States pursuant to Rule 144A will be deemed to have acknowledged, represented and agreed that it has received a copy of this Prospectus and such other information as it deems necessary to make an informed investment decision and that:

- The purchaser is authorised to consummate the purchase of the Offer Shares in compliance with all applicable laws and regulations.
- The purchaser acknowledges that the Offer Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state of the United States and are subject to significant restrictions to transfer.
- The purchaser (i) is a QIB (as defined in Rule 144A), (ii) is aware that the sale to it is being made in reliance on Rule 144A and (iii) is acquiring such Offer Shares for its own account or for the account of a QIB, in each case for investment and not with a view to any resale or distribution to the Offer Shares, as the case may be.
- If, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Offer Shares, as the case may be, such Shares may be offered, resold, pledged or otherwise transferred only (i) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A, (ii) in accordance with Regulation S, (iii) in accordance with Rule 144 (if available), (iv) pursuant to any other exemption from the registration requirements of the U.S. Securities Act, subject to the receipt by the Company of an opinion of counsel or such other evidence that the Company may reasonably require that such sale or transfer is in compliance with the U.S. Securities Act or (v) pursuant to an effective registration statement under the U.S. Securities Act, in each case in accordance with any applicable securities laws of any state or territory of the United States or any other jurisdiction.
- The purchaser is not an affiliate of the Company or a person acting on behalf of such affiliate, and is not in the business of buying and selling securities or, if it is in such business, it did not acquire the Offer Shares from the Company or an affiliate thereof in the initial distribution of such Shares.
- The Offer Shares are "restricted securities" within the meaning of Rule 144(a)(3) and no representation is made as to the availability of the exemption provided by Rule 144 for resales of any Offer Shares, as the case may be.
- The Company shall not recognise any offer, sale, pledge or other transfer of the Offer Shares made other than in compliance with the above-stated restrictions.
- The purchaser acknowledges that the Company, the Managers and their respective advisers will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

13.3.2 European Economic Area

Each person in a Relevant Member State (other than, in the case of paragraph (a), persons receiving offers contemplated in this Prospectus in Norway) who receives any communication in respect of, or who acquires any Offer Shares under, the offers contemplated in this Prospectus will be deemed to have represented, warranted and agreed to and with the Managers and the Company that:

- a) it is a qualified investor as defined in the Prospectus Regulation; and
- b) in the case of any Offer Shares acquired by it as a financial intermediary, as that term is used in Article 3(2) of the Prospectus Regulation, (i) the Offer Shares acquired by it in the offer have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than qualified investors, as that term is defined in the Prospectus Regulation, or in circumstances in which the prior consent of the Managers has been given to the offer or resale; or (ii) where Offer Shares have been acquired by it on behalf of persons in any Relevant Member State other than qualified investors, the offer of those Shares to it is not treated under the Prospectus Regulations having been made to such persons.
- c) For the purposes of this representation, the expression an "offer" in relation to any Offer Shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and any Offer Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Offer Shares.

14. ADDITIONAL INFORMATION

14.1 Independent Auditor and advisors

The Company's auditor is PricewaterhouseCoopers AS, with registration number 987 009 713 and business address at Dronning Eufemias gate 71, 0194 Oslo, Norway. PricewaterhouseCoopers AS is a member of Den Norske Revisorforeningen (The Norwegian Institute of Public Accountants).

Advokatfirmaet Haavind AS (Haakon VII's gate 10, 0161 Oslo, Norway) is acting as Norwegian legal counsel to the Company.

14.2 Incorporated by reference

The information incorporated by reference in this Prospectus is set out in the table below. No information other than information referred to in the table below is incorporated by reference. Where parts of the document are referenced and not documented as a whole, the remainder of such document is either deemed irrelevant to an investor in the context of the requirements of this Prospectus, or the corresponding information is covered elsewhere in this Prospectus.

Disclosure Requirements	Reference Document
Unaudited interim financial information for Q1 2023	Unaudited interim financial information for the Group for the three months period ended 31 March 2023: https://abl-group.com/wp-content/uploads/2023/04/Q1-2023-presentation_final.pdf

14.3 Documents on display

Copies of the following documents will be available for inspection at the Company's offices at Haakon VII's gate 6, 0161 Oslo, Norway, during normal business hours from Monday to Friday each week (except public holidays) and on the Company's website www.abl-group.com for a period of twelve months from the date of this Prospectus.

- The Articles of Association and Certificate of Incorporation.
- The Group's audited consolidated annual financial statements for the year ended 31 December 2022, 2021 and 2020.
- This Prospectus.
- Independent assurance report on pro forma financial information.
- Unaudited interim financial information for Q1 2023

15. DEFINITIONS AND GLOSSARY

The following definitions and glossary apply in this Prospectus unless otherwise dictated by the context, including the foregoing pages of this Prospectus.

ABL Group Brands	ABL, ABL Yachts, OWC, Innosea, AGR and Longitude
ABL Group Business	The business of the Group entities providing services under the ABL Group Brands.
ABL Group	ABL Group ASA
Add Energy	Add Energy Group AS
Add Energy Transaction	Shall have the meaning given to such term in section 5.13.1
Adjustment Business	Shall have the meaning given to such term in section 5.13.2
Anti-Money Laundering Legislation	The Norwegian Money Laundering Act No. 11 of 6 March 2009 and the Norwegian Money Laundering Regulations No. 302 of 13 March 2009.
Appropriate Channels for Distribution	All distribution channels as are permitted by MiFID II
Articles of Association	The articles of association of the Company.
Board of Directors or Board	The board of directors of the Company
Bridgepoint	Shall have the meaning given to such term in section 10.4
Bridgepoint Warrants	Shall have the meaning given to such term in section 10.4
CAMO	Critical Activity Mode of Operation
Capex	Capital expenditures
CCUS	Carbon Capture, Usage and Storage
CEO	Chief Executive Officer
CET	Central European Time
CFO	Chief Financial Officer
CMID	Common Marine Inspection Document
Company	ABL Group ASA
Corporate Governance Code	The Norwegian Code of Practice for Corporate Governance dated 23 October 2012.
DEVEX	Development expense
DP	Dynamic Position

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E&P	Exploration & production
EBITDA	Earnings before interest, taxes, depreciation and amortisation
EEA	The European Economic Area.
Employee Lock-Up Shares	Shall have the meaning given to such term in section 9.4.2
EPC	Engineering, Procurement and Construction
ESMA	European Securities and Markets Authority
EU	The European Union.
EU Prospectus Regulation	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC
EUR	The lawful common currency of the participating member states in the European Union
Excess Allowance	Any part of the calculated allowance one year exceeding the dividend distributed on the share
FEED	Front-end engineering design
Financial Information	The Financial Statements
Financial Statements	The Company's financial statements for the years ended 31 December 2021 and 31 December 2022
FMEA	Failure mode and effects analysis
FMECA	Failure Mode, Effect and Criticality Analysis
Forward-looking statements	Statements made that are not historic and thereby predictive as defined in Section 4.6
FPSO	Floating production, storage and offloading
FSMA	The UK Financial Services and Markets Act 2000
FSO	Floating, Storage and Offloading
GBP	British pound sterling, the lawful currency of United Kingdom
General Meeting	The Company's general meeting of shareholders.
GLEIF	The Global Legal Identifier Foundation
Group	The Company together with its consolidated subsidiaries

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HAZID	Hazard Identification Analysis
HAZOP	Hazard and Operability Analysis
IAS	International Accounting Standard
IAS 34	International Accounting Standard 34 "Interim Financial Reporting"
ICMS	Integrated Control Management System
IFRS	International Financial Reporting Standards as adopted by the EU.
Innosea	Innosea SAS
IOC	Independent Oil Companies
ISIN	Securities number in the Norwegian Registry of Securities (VPS).
John LeBourhis (JLA)	John Lebourhis and Associates, Inc
LCoE	Labialized cost of energy
LEI	Legal Entity Identifier
LOC	London Offshore Consultants
LOC Transaction	Shall have the meaning given to such term in section 10.4
Longitude	Longitude Engineering
LOUs	Local Operating Units
Management	The Group's senior management team.
MiFID II	EU Directive 2014/65/EU on markets in financial instruments, as amended
MODU	Mobile Offshore Drilling Units
MOPU	Mobile Offshore Production Units
MWS	Shall have the meaning given to such term in section 5.6.2.1
Negative Target Market	Investors looking for full capital protection or full repayment of the amount invested or having no risk tolerance, or investors requiring a fully guaranteed income or fully predictable return profile
NOC	National Oil Companies
NOK	Norwegian Kroner, the lawful currency of Norway

Non-Norwegian Personal Shareholders	Shareholders who are individuals not resident in Norway for tax purposes
Non-Norwegian Shareholders	Shareholders who are not resident in Norway for tax purposes
Norwegian FSA	The Financial Supervisory Authority of Norway (Nw.: Finanstilsynet)
Norwegian Corporate Shareholders	Shareholders who are limited liability companies and certain similar corporate entities resident in Norway for tax purposes
Norwegian Personal Shareholders	Personal shareholders resident in Norway for tax purposes
Norwegian Securities Trading Act	The Norwegian Securities Trading Act of 29 June 2007 no. 75 (Nw.: verdipapirhandelloven)
O&G	Oil & Gas
O&M	Operations & Maintenance
OPEX	Operating expense
Order	Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005
Oslo Børs	Oslo Børs ASA or, as the context may require, Oslo Børs, a Norwegian regulated stock exchange operated by Oslo Børs ASA.
OWC	Offshore Wind Consultants Limited
PwC	PricewaterhouseCoopers AS
QIBs	Qualified institutional buyers, as defined in Rule 144A under the U.S. Securities Act
P&I	Protection and indemnity
Positive Target Market	An end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II
Product Governance Requirements	Collectively the (a) EU Directive 2014/65/EU on markets in financial instruments, as amended (" MiFID II "); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures
Prospectus	This Prospectus dated 26 June 2023
QHSE	Quality, Health, Safety, Environment
QRA	Quantitative Risk Analysis

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Relevant Member State	Each Member State of the EEA which has implemented the EU Prospectus Regulation.
Relevant Persons	Persons in the United Kingdom that are (i) investment professionals falling within Article 19(5) of the Order or (ii) high net worth entities, and other persons to whom the Prospectus may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order.
Rule 144A	Rule 144A under the U.S. Securities Act
Share(s)	Shares in the share capital of the Company, each with a nominal value of NOK 0.10 or any one of them.
SPA	The share purchase agreement entered into between RGA Energy Holdings AS and the Company regarding the acquisition of the AGR Group
T&I	Transportation and Infrastructure
Target Market Assessment	The Positive Target Market together with the Negative Target Market
Term Loan	A term loan facility in the amount of USD 10 million under the Nordea Facility Agreement
Transaction	Shall have the meaning given to such term in section 7.1
UK	The United Kingdom
Unaudited Pro Forma Financial Information	Shall have the meaning given to such term in section 4.3.1.
US	The United States
USD	United States Dollar, the lawful currency of the United States of America.
U.S Exchange Act	The U.S. Securities Exchange Act of 1934, as amended.
U.S. Securities Act	The United States Securities Act of 1933, as amended
VPS	The Norwegian Central Securities Depository (Nw.: Verdipapirsentralen).
VPS Registrar	DNB Bank ASA, address: Dronning Eufemias Gate 30, 0191 Oslo, Norway
WSOG	Well Specific Operating Guidelines
WTG	Wind Turbine Generator

APPENDIX A: ARTICLES OF ASSOCIATION FOR ABL GROUP ASA

**Vedtekter
for
ABL Group ASA
(pr. 13. april 2023)**

§ 1. Navn

Selskapets navn er ABL Group ASA. Selskapet er et allmennaksjeselskap.

§ 2. Forretningskontor

Selskapets forretningskontor er i Oslo kommune.

§ 3. Formål

Selskapets formål er å tilby tjenester til marine- og offshore-industrien, og andre tilgrensede industrier, alene eller gjennom eierskap i andre virksomheter.

§ 4. Aksjekapital

Selskapets aksjekapital er NOK 12.293.652,90, fordelt på 122.936.529 aksjer hver pålydende NOK 0,10. Aksjene skal registreres i VPS.

§ 5. Styre

Selskapets styre skal ha 3-8 medlemmer.

Styret velges for to år om gangen og styremedlemmer kan ta gjenvalg. Dersom stemmelikhet ved avstemminger i styret skal styrets formann ha dobbeltstemme.

§ 6. Valgkomité

Selskapet skal ha en valgkomité. Valgkomiteen skal bestå av inntil tre medlemmer. Medlemmene av valgkomiteen skal velges av generalforsamlingen, som også skal velge valgkomiteens leder. Godtgjørelse til valgkomiteens medlemmer fastsettes av generalforsamlingen. Generalforsamlingen skal vedta nærmere retningslinjer for valgkomiteens arbeid.

§ 7. Firma

Selskapets firma tegnes av to styremedlemmer i fellesskap. Styret kan meddele prokura.

§ 8. Ordinær generalforsamling

Innkalling til generalforsamling foretas av styret i overensstemmelse med gjeldende lovgivning. På den ordinære generalforsamling skal behandles:

1. Godkjennelse av årsregnskapet og årsberetningen, herunder utdeling av utbytte.
2. Fastsettelse av godtgjørelse til styret og godkjenning av godtgjørelse til revisor.
3. Valg av styreleder, styremedlemmer og revisor.
4. Andre saker som i henhold til lov eller vedtekt hører inn under generalforsamling.

§ 9. Elektronisk distribusjon av årsrapport og andre dokumenter til generalforsamlingen

Dokumenter som gjelder saker som skal behandles på generalforsamlingen trenger ikke sendes til aksjeeierne dersom dokumentene er gjort tilgjengelige for aksjeeierne på selskapets internettsider. Dette gjelder også dokumenter som etter lov skal inntas i eller vedlegges innkallingen til generalforsamlingen. En aksjeeier kan likevel kreve å få tilsendt dokumenter som gjelder saker som skal behandles på generalforsamlingen.

§ 10. Tillatelse til forhåndsstemmegivning på generalforsamling

Styret kan bestemme at aksjonærene skal kunne avgi sin stemme skriftlig, herunder ved bruk av elektronisk kommunikasjon, i en periode før generalforsamlingen. For slik stemmegivning skal det benyttes en betryggende metode for å autentisere avsenderen.

Office Translation – For information purposes only

ABL Group ASA (as per 13 April 2023)

Articles of Association

Article 1. Name

The name of the company is ABL Group ASA. The company is a public limited company.

Article 2. Registered Office

The Company's registered office is located in Oslo.

Article 3. Purpose

The Company's purpose is to offer services to the marine and offshore industry and related industries, on its own or through ownership in other companies.

Article 4. Share-capital

The Company's share capital is NOK 12,293,652.90 divided on 122,936,529 shares each with a par value of NOK 0.10. The shares shall be registered with the Norwegian Central Securities Depository.

Article 5. Board of Directors

The Board of the Company shall be composed of 3-8 members.

The Board will be elected for two years at the time and the members of the Board may be re-elected. If as a result of a Board vote there is an equality of votes, the Chairman of the Board shall have the casting vote.

Article 6. Election Committee

The Company shall have an Election Committee. The committee shall consist of up to three members. The members of the Committee shall be elected by the Company's General Meeting, who also appoints the Committee's Chairperson. Remuneration to the Election

Committee members shall be determined by the General Meeting. The General Meeting shall also adopt the rules of procedure for the Committee's work.

Article 7. Signature

The company's signature is held jointly by two of the members of the Board. The Board may grant power of procuration.

Article 8. Ordinary Shareholders Meeting

The notice for the ordinary shareholders' meeting is to be dispatched by the Board in accordance with current legislation.

The following items must be considered at the shareholders meeting:

1. Adoption of the profit and loss accounts and the balance sheet, including the declaration of dividend.
2. Stipulation of remuneration to the Board and approval of remuneration to the state authorized accountant.
3. Election of the Chairman of the Board, members of the Board and state authorized accountant
4. Other matters specified by statute for consideration by the shareholders meeting.

Article 9. Electronic distribution of annual accounts and other documents for shareholders' meetings

Documents relating to matters which shall be considered at a general meeting need not be sent to the shareholders if the documents have been made available to the shareholders on the Company's website. This also includes documents that according to law shall be incorporated into or be attached to the notice of the general meeting. A shareholder may require that documents which shall be considered at a general meeting is sent to the shareholder.

Article 10. Approval of advance voting at a shareholder meeting

The Board may decide that the shareholders may vote in writing, including by way of electronic communication, in a period before the general meeting. Voting in writing requires an adequately secure method to authenticate the sender.

APPENDIX B: AUDITED ANNUAL FINANCIAL STATEMENTS FOR 2021



ABL

The Energy & Marine Consultants.

ABL GROUP ANNUAL REPORT 2021

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The Energy and Marine Consultants.

ABL Group is the leading global independent energy and marine consultant, working in energy and oceans to de-risk and drive the transition across the renewables, maritime and oil and gas sectors, offering our customers the deepest pool of world-class expertise across marine, engineering and adjusting disciplines from more than 300 locations worldwide.



The ABL Group Family

Through targeted acquisition and organic growth, ABL Group have built a comprehensive family of specialist and niche branded energy and marine consultancy companies, offering services that are both complementary and interconnected. This allows our business lines, branded service companies, and expertise to focus closely on delivering technical excellence in engineering and consultancy, loss prevention and loss management.



ABL Group

ABL Group is a leading global independent energy and marine consultant working in energy and oceans to de-risk and drive the energy transition across renewables, maritime and oil and gas sectors.



OWC (Offshore Wind Consultants)

Project development services, owner's engineering and technical due diligence to the offshore renewables industry.



East Point Geo

Expert Geoconsulting organisation supporting all sectors; providing efficient client-focused deliverables including data assurance, ground models and quantitative risk assessment.



INNOSEA

Engineering advisory, verification, research & development, concept development and consultancy for marine renewable energy.



Longitude Engineering

Independent engineering, design and analysis services for the marine, renewables, oil & gas, defence, and offshore infrastructure industries.



OSD-IMT

Est. in 1989, specialist ship design house focused on offshore support vessels and clean shipping technology.



JLA (John LeBourhis & Associates)

Rig moving, risk control services and surveying services, specialists in MODUs.



ABL Yachts

Superyacht surveyors and consultants.

Key Financial Figures

Results		2021	2020
Total revenues	USD thousands	150,748	77,015
Adjusted EBITDA ¹	USD thousands	13,078	6,320
EBIT	USD thousands	7,375	2,946
Adjusted EBIT ¹	USD thousands	9,645	4,843
Profit (loss) after taxes	USD thousands	3,218	1,513
Adjusted profit (loss) after taxes ¹	USD thousands	5,435	3,280
Return on equity (ROE) ¹	%	8.2%	9.6%
Return on capital employed (ROCE) ¹	%	10.5%	6.8%

Balance sheet and cash flow

Cash and cash equivalent	USD thousands	19,815	30,642
Equity ratio	%	58.1%	55.9%
Cashflow from (used in) operating activities	USD thousands	(187)	8,474

Operations

Order backlog at 31 December ^{1,3}	USD thousands	63,205	75,992
Employees at 31 December ²	Full-time equivalents	954	790
Lost time injury per million man-hours	Per million man-hours	-	-
Billing ratio ²	%	75%	72%

Share data

Basic earnings per share	USD	0.03	0.02
Number of shares outstanding at 31 December	million	96.92	92.55
Number of options outstanding at 31 December	million	17.77	8.32
Number of warrants outstanding at 31 December	million	-	1.00
Share price at 31 December	NOK	10.40	9.00
Dividends paid per share	NOK	0.50	0.40

¹ Alternative Performance Measures

² Including subcontractors, full time equivalents (figure excludes LOC Group)

³ Order backlog figure includes LOC Group

Financial calendar 2022

Event	Date
First quarter results	29/04/2022
Annual General Meeting	01/06/2022
Half-yearly results	31/08/2022
Third quarter results	28/10/2022

Ticker symbol

Oslo Børs	AQUA
Reuters	AQUA.OL
Bloomberg	AQUA:NO

ISIN No	NO0010715394
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Share Register	DNB Bank ASA Verdipapirservice Postboks 1600 Sentrum 0021 Oslo
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Letter from the Chair



Dear fellow shareholders,

What a difference 12 months can make. The public narrative of energy has been largely turned upside down. The market is not the problem for the next few years for ABL Group (ABL). The energy market is about to fire on all cylinders, both renewables, and traditional energy such as oil and gas and nuclear energy.

The combination of significant underinvestment in energy over the last 7–10 years combined with the increased focus on security of supply is changing the narrative of energy fundamentally. Last year the focus was on green and how to close production of energy from nuclear, and oil and gas (O&G) as soon as possible. Last year I discussed this in my letter to shareholders and I stated the following:

"My expectation for ABL's markets in 2021 is a continued rapid growth for renewables and moderate growth for the traditional business within Oil and Gas and Marine. However, from 2022 or maybe already in second half of 2021, there is a significant risk for another raw-material cycle in the world economy following a combination of underinvestment in raw-materials in general over the last 7–10 years and strong world GDP growth after Covid-19 recession. In addition, we should not forget that the renewables investments are raw material intensive and the energy to mine, transport, refining, assembling and installing the new renewable energy generation capacity will use traditional energy. I would argue that medium term we will see a boost in used of traditional energy sources to fuel the energy transition. In sum, I expect another upcycle for traditional energy including Oil and Gas based on three key factors; underinvestment last 7–10 years, strong economic recovery after Covid-19 and increased demand for raw materials including energy to fuel the energy transition,"

Since I wrote the above paragraph, energy prices have increased dramatically and the war in Ukraine has put energy security high on the agenda again. Further, the EU has finally understood that nuclear and natural gas (with carbon capture technology) is a key part of the transition fuel and more likely in my mind continue to be a key source of the long-term supply of clean energy. During the last 12 months nuclear and gas have been included as part of the EU's sustainable finance taxonomy.

The worldwide natural depletion of oil production is about 8% p.a. and the natural depletion of gas production is about 6% p.a.. This implies that every year, just to keep the production flat, you must invest significant amounts in new and existing fields of oil and gas. Over the last 13 years (from 2008 to 2020) the US has increased oil production by 10m barrels per day. During the same period, the world consumption of oil has also increased by about 10m barrels. Hence, in sum for the rest of the world outside the US, the investment in new capacity and in producing fields has only kept production flat during the last 14 years. In the US the main source of increased production has been shale oil. Many observers now forecast that the "easy growth" in shale production is now history and the contribution and growth from shale will be much lower over the next few years. Finally, the growth in consumption of traditional energy is expected to grow in the medium term.

Energy conservation and the continued increase in investments in renewables are gradually reducing the demand for traditional energy in the OECD countries, but the growth in developing countries more than offsets the decline in the developed part of the world.

In my view, we are entering a “perfect storm” for energy. The market will not be the problem – we will see big investments across all energy sources for the next few years, renewables, transitional solutions, and traditional sources of energy. It will be ABL’s execution of its strategy and management of the company – or lack of it – that will determine whether we are able to take advantage of this boom in the energy markets.

The challenge of delivering good performance to all our stakeholders in a market characterised by such a “perfect storm” should not be overlooked. Increasing inflation, higher salaries, lack of skilled talent, and more projects than we have resources to source will increase the pressure on management in ABL Group and our employees, and finally our customers. The hourly/daily rate in our oil and gas market has in nominal terms been reduced by up to 30-40% from the peak in 2014. For the first time in 7-8 years, we now see meaningful rate increases again and I expect we will reach previous highs (nominal) within 2-3 years. Nearly a decade of the downturn, layoffs, and reduced compensation to the staff in our industry has drained the oil and gas industry for talent in general. Most of the engineers and key staff leaving the oil and gas industry have found rewarding jobs in IT, renewables, civil engineering, or they have retired. Rate and wage/compensation inflation will go hand in hand the next few years.

Since the start of 2019 ABL has done 5 acquisitions (including the last 29% of INNOSEA) and increased our revenue from USD 36m to USD 151m, driven by the companies we have acquired and organic growth. The organic growth is expected to accelerate in 2022 and we further expect to continue to consolidate and add new related business lines to our offering. The combination of acquisitions, strong growth in the market, new technology, and inflation will be very demanding for the ABL organisation in the next few years. In addition, the fact that the integration of the acquisitions has partly been affected by various lockdowns during Covid-19 implies that we are somewhat behind realising the planned synergies from the combination of the acquired companies. When we announced the merger with LOC we estimated cost synergies of USD 3.5m. Our synergies target has now been increased to USD 4.0, where only 50% was realised at the end of 2021.

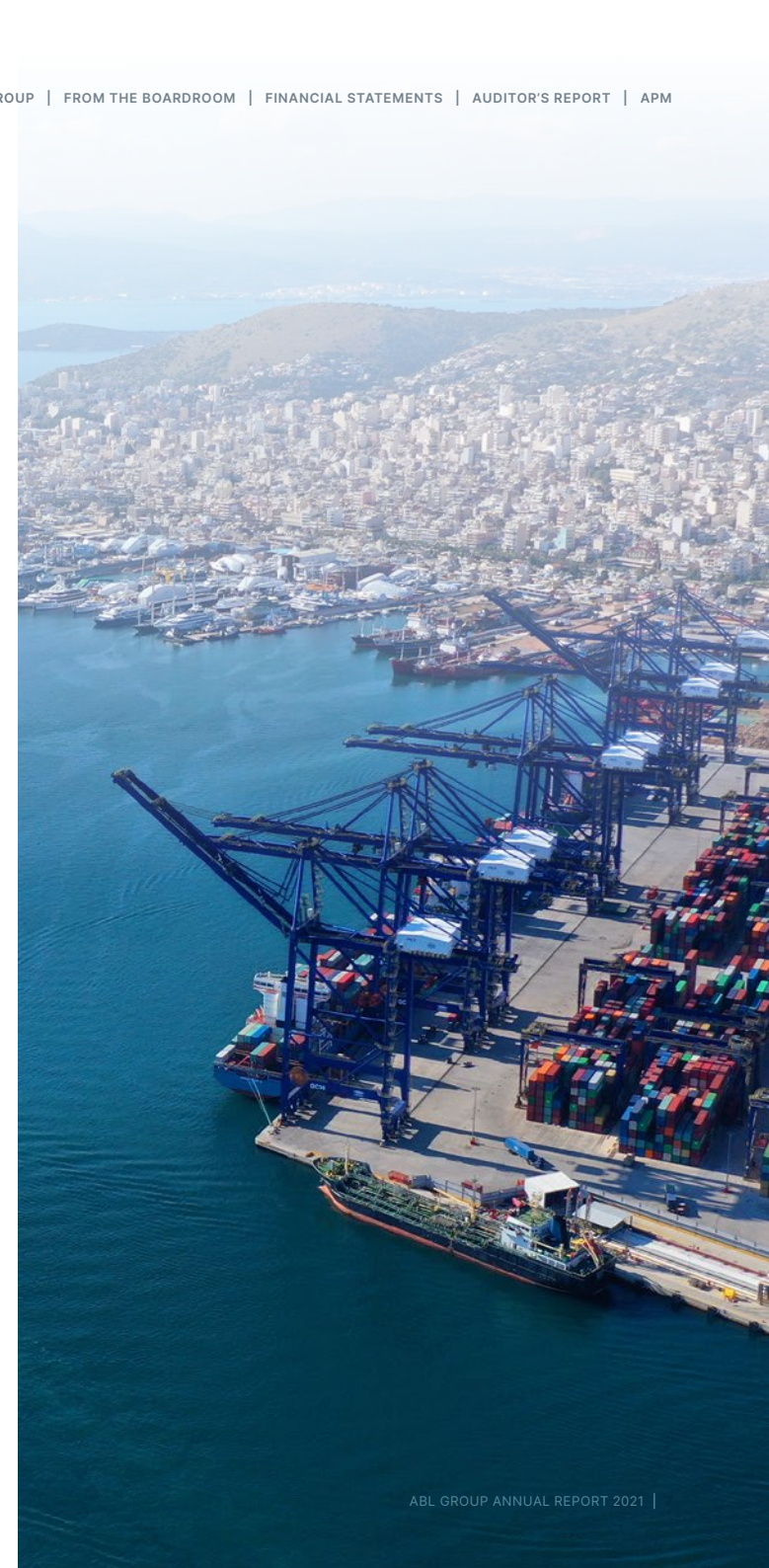
The cocktail of a “perfect storm” in the market and the extreme growth for ABL over the last 3 years, make our effort to professionalise the management and support functions of the company even more urgent. We achieved a lot in 2021, but we have a lot to do also during the next few years. Our internal focus

is on the following key factors: 1) continued professionalisation/specialisation of management and support functions, 2) cost synergies, 3) capital efficiency, 4) market reach and service offering, and 5) alignment of incentives between employees and shareholders. I will in the below discuss each of the internal key value drivers in more detail.

Professionalisation and specialisation of management and support functions. The key focus areas for our internal investments and upgrades are IT, legal, recruitment, human resource, training, knowledge management, and strengthening of the financial and commercial competence.

Cost synergies. There are significant cost synergies associated with most acquisitions. But often overlooked is the need for investments in IT and the need for upgrading and specialisation of the management and service functions. The net of cost synergies and investments/new costs is the net synergies from M&A and organic growth. When Aqualis, Braemar Technical Services (BTS), and LOC were separate the indirect cost/overhead was in the region of 25-30% of revenue. A realistic target when the three companies are fully integrated as ABL, is to approach 20% of revenue as overhead/group costs driven by a combination of direct cost savings and more scalability as revenue increases. The focus in 2021 was on integration and investments, especially in IT, to achieve the cost reduction; the net of this is a flat development of overhead as a % of revenue. In 2022 we expect the overhead to gradually reduce as the main investments and changes have been done in 2021.

Capital efficiency. ABL’s business is normally classified as a capital-light business with a low or moderate margin. The capital invested in ABL is mainly used for working capital and for cash held in the various offices worldwide. During 2020 we had a positive net cash flow from a reduction of NWC of USD 4.7m while during 2021 this positive development was reversed, and we had an increase in NWC of USD 7.2m. This is a disappointing development and not what we had planned for. We will continue to professionalise the treasury function by establishing cash pooling systems and implementing new software to handle payments from our clients. Our ambitions for reduced use of capital in ABL have not been reduced, only delayed. Capital efficiency is about culture in the organisation as much as about improving systems and payment terms in our contracts. We expect to be back on track and improve our capital efficiency during 2022.



Market reach and service offering. In 2018 the former Aqualis had 19 offices. Today, after the mergers with BTS and LOC, ABL Group has offices in 63 locations in 39 countries and in all major shipping and offshore energy hubs worldwide. Our business is local and global. We are sharing talent and key competence worldwide but the interaction with customers is often local and the projects and equipment we are assisting need often local presence and expertise. In 2018, 80% of our business came from offshore O&G. In 2021 about 52% of ABL's revenue is derived from offshore O&G, about 21% from maritime, and about 27% from offshore renewables. The growth in renewables was especially strong and our revenue grew by 56% and the share of the revenue from renewables increased from 18% in 2020 to 27% in 2021. ABL's target is to have 50% of our revenue in 2025 from renewables and energy transition activity. Based on the growth we expect in maritime and traditional oil and gas this target is challenging, but we currently see no reason to change this target. In 2021 we established organically new business within energy storage, onshore wind and solar, and hydrogen. We have already won significant new business within these areas, illustrating how good infrastructure, reputation, and network combined with hiring experienced engineers with niche competencies and complementary networks lead to concrete results relatively quickly. We did 3 smaller niche acquisitions in 2021 and we have a pipeline of targets for 2022 and expect to continue to grow with a combination of organic and inorganic growth for the next few years.

Alignment of incentives between employees and shareholders.

We value our people; our value comes from them. ABL invests in people, not in hardware. That is our business and our focus.

ABL has established a long-term share-based incentive system (for details see page 59 in the annual report). The employees of ABL currently own about 25% of the shares in the company (fully diluted including outstanding options) and in addition, up to 15% of EBITA is reserved for bonuses to the employees. Hence, employees are party to about 35% of the profit in the company and dividends paid. In ABL we believe the incentive system is key for the stability of the workforce, a higher acceptance for the necessary continuous change in

the company, and an aligned focus on profitability and capital efficiency in the company from all stakeholders. A key parameter in our M&A transactions is to incentivise the key employees in the target to not only stay on in the business but also to continue to deliver a good return on the capital we invest in the target.

The strategic focus for ABL. The strategy is based on three main pillars, 1) expansion and growth in renewable energy, the transition energy investment, and other emerging offshore industries, 2) leverage our position within the traditional markets within maritime and oil and gas, including contributing to further consolidation in our industry, and 3) capital efficiency, take out synergies from acquisitions and return capital to our shareholders and employees. Active capital allocation is the tool management and the board is using to improve our return on capital. Reduction of the use of capital (or sale) of business that is not meeting our return on capital requirement should also be expected.

The normalised operating margin in ABL was 6.4% in 2021, a marginal improvement from 5.8% on a Pro-forma consolidated basis in 2020. The management team is working hard with the controllable internal value drivers such as professionalisation of the back-office, taking out synergies, capital efficiency, and realising the benefits of a broader business offering and our extended global network to realise the dynamic income synergies. Our medium-term target is to get to an operating margin of 10% (EBIT margin) and a net working capital of 75 days (of revenue) on a sustainable basis and to reduce the cash requirements of the business. The planned strategy of simultaneously increasing the nominator (EBIT) combined with a reduction of the denominator (capital used) should have a meaningful impact on ROCE and ROE. This may look simple, but it requires hard work and focus to realise this simple math on a sustainable basis.

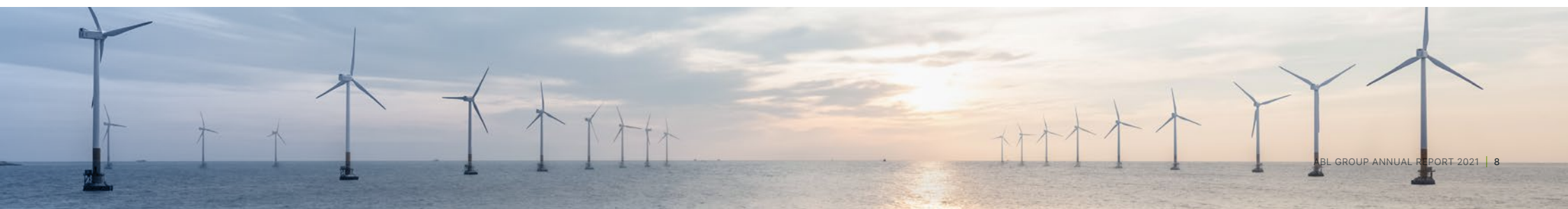
In 2021 we paid a dividend of NOK 0.50 per share (paid in June and November). The board has proposed an ordinary dividend of NOK 0.30 to be paid after the AGM in 2022 and a similar dividend should be expected in November 2022 depending on operational performance. The strategy of the board is to gradually increase the dividend as operations improve and the capital tied up in the operation is reduced to competitive levels.

At the end of 2021, David Wells stepped down from his position as ABL's CEO, as part of a long-standing succession plan. David was one of the founders of ABL (then Aqualis) and he has been the company's CEO since its inception in 2013. He has led the company from zero employees to almost 1000 employees as we are today. This growth happened despite our main market in oil and gas has been in a recession for 80% of the time he served as CEO. Even more importantly, when David stepped down, the new CEO Reuben Segal and the new COO Bader Diab were both recruited internally. This demonstrates the strength of the organisation and the culture he has led and built. The undersigned and the board of directors are very pleased with the new executive team led by CEO Reuben Segal, COO Bader Diab, and CFO Dean Zucic.

ABL's markets are booming, and I have called it a "perfect storm". But the management challenges while the market is changing as fast as it is at the start of 2022 should not be underestimated. ABL managed to navigate through a reduction in total O&G investments of about 50% from the peak in 2014 to the bottom in 2021, and a reduction of hourly rates for our staff of up to 30-40% during the same period. Now we must demonstrate that we can move from managing a recession to demonstrate that we can make the most of an upturn in the market. I am certain we can deliver in an upturn. Our management has, over the last few years, managed a recession in O&G at the same time as the team has managed a rapidly growing renewable market (56% growth in 2021 alone!). In other words, the growth "skills" are already in the management's DNA. The task is to continue to deliver for all our stakeholders; employees, clients, banks, and our shareholders at the same time as we continue to contribute to decarbonisation of the global energy system and the delivery of affordable energy to the 7.9 billion people in the world. That's our mission for 2022 and beyond. Our focus should always be on the next achievement or target. That goes for sports as well for business.



Glen Rødland ⚡ Chair of the Board



Renewables



Renewables



ABL Group offers expert technical and engineering consultancy across all renewable energy markets: offshore wind, onshore wind, solar, storage, wave and tidal.

ABL Group is uniquely placed in this market to support clients in the delivery of renewable energy projects at every stage of a project or asset's lifecycle. We combine the group's long-term legacy in de-risking marine operations and projects, with the specialised technical expertise of our four group companies in supporting clients to deliver renewable energy projects across all generating technologies and markets:



OWC (Offshore Wind Consultants)

Supporting offshore wind project developers with project development services, owners' engineering and technical due diligence.



East Point Geo

Supporting offshore and onshore wind developers understand ground engineering risks.



INNOSEA

Supporting technology providers with feasibility, advisory, analysis, engineering & design across all marine renewable sources.



Longitude Engineering

Supporting EPCI contractors with independent engineering, design and analysis of marine operations and supporting infrastructure and assets and SOV design through it's OSD-IMT specialist ship design unit.



ABL Group

Supporting the insurer and operator with marine assurance and warranty services and offering independent engineering for onshore wind, solar and energy storage.



Independent renewable energy consulting

ABL Group has been an independent and increasingly leading technical advisor and engineering consultant to many of the major developments in offshore wind development over the last 20 years and we have expanded our expertise to support other generation technologies and markets including onshore wind, solar, energy storage and wave and tidal.

Through our global network of 63 offices worldwide, we provide cutting-edge energy and marine technical expertise in all offshore wind energy locations globally. Often trailblazers in this industry, our group companies have contributed with loss prevention services and consulting and engineering on some of the very first offshore wind projects in the world.

Committed to the acceleration of integrated renewable energy sources decarbonising our electricity networks, our multi-disciplinary expertise supports at every project stage to ensure your operation's success – feasibility, development, engineering, construction, operations and maintenance, and end of life across all generation technologies.

Our markets

Offshore Wind

Growth in offshore wind is accelerating and bringing new risks that investors, developers, insurers and EPCI companies all have to understand, eliminate or mitigate. From new emerging markets to new technology such as floating foundations and +15MW wind turbines, the ABL Group can support from early site selection to decommissioning. We bring experience gained during more than three decades of consulting in the energy and marine sectors.

ABL Group has been an independent and impartial partner to many of the major developments in offshore wind development over the last two decades. We can support all forms of early desktop study in early development to owner's engineering fixed or floating projects and provide technical due diligence for some of the largest transactions in the sector. The ABL Group are also the leading provider of MWS in the sector, delivering engineering for EPCIs, and provides design, engineering and construction supervision for SOVs, cable lay vessels, and jack-up installation vessels, loss adjusting, and expert witness and litigation support.

Onshore Wind

The ABL Group delivers independent engineering (IE) services to developers, owners, and lenders in their evaluation of technologies and projects.

Our extensive global footprint also means we are able to easily deploy to support the development of onshore renewables projects in new emerging markets, as in already established markets.

Services include independent engineering and technical due diligence, feasibility studies and owner's engineering, yield, modelling and performance assessment, and strategic and regulatory advisory.

We also provide through a specialist group all aspects of terrain, subsurface and soil geoscience to support ground engineering projects for onshore wind as well as offer loss adjusting and professional witness services.

Onshore Solar

The ABL Group delivers independent engineering (IE) services to developers, owners, and lenders in their evaluation of solar technologies and projects. Our experts cover ground-mounted PV, roof-top PV, floating PV (also see below) and CSP technologies.

Our extensive global footprint also means we are able to easily deploy to support the development of onshore renewables projects in new emerging markets, as in already established markets.

Services include independent engineering and technical due diligence, feasibility studies and owner's engineering, yield, modelling and performance assessment, and strategic and regulatory advisory.

Floating Solar

ABL Group is a pioneer in the development of floating solar PV (photovoltaic) farms, offering a comprehensive package of front-end engineering, design and advisory services to support innovation and construction of this growing technology.

The group has successfully evolved its service offering and inhouse capabilities at pace with the rapidly developing floating solar PV market and is involved in various multinational research and development (R&D) projects.

Energy Storage

Battery storage, or battery energy storage systems (BESS), are systems that enable energy from renewables, like solar and wind, to be stored and then released when electricity customers need power most, they are essential to speeding up energy transition.

The ABL Group has established a recognised position as a trusted technical consultant offering independent engineering and technical due diligence, feasibility studies and owner's engineering, route to market, modelling and performance assessment, and strategic and regulatory advisory.

Wave & Tidal

Wave and tidal energy are vast untapped energy resources offshore. With technology still in its early days, our group companies provide a comprehensive range of technical, advisory, engineering and marine assurance services to support developers at every project stage.

Maritime



Maritime



When it comes to international maritime, experience counts. ABL Group has a maritime legacy spanning more than 150 years since the establishment of the Salvage Association, and in bringing together the trusted reputations and expertise of AqualisBraemar and LOC, we are the leading market provider of loss prevention, loss management and engineering & consulting services to the global maritime industry.

With our entrenched legacy in providing expert support to marine casualties of any type and size worldwide, ABL Group combines expert knowledge with strong collaboration and insight, to deliver a fast, effective response to even the most urgent shipping challenge.

Global Presence in all Maritime Hubs

We have offices located in all major maritime and shipping hubs around the world. We employ a wide range of experts with backgrounds in different areas of the shipping and maritime industry.

We have vast experience in all shipping and maritime-related matters including marine casualties, salvage and wreck removal, hull and machinery, P&I claims, fixed object damage, pollution, personal injury, and ports and harbours, marine accident investigation amongst other areas. Our reputation covers work in ports & harbours, small craft, global shipping, defence and yachts.

Shipping

Our teams of experts support international shipping with our full range of engineering and consulting, loss prevention and loss management services. We bring together the deepest pool of multi-disciplinary expertise to support all areas of shipping, from early advisory and technical due diligence, navigational planning, early engineering, vessel design and modifications, through to operations, with surveys, inspections and audits, as well as world-class marine warranty survey, to supporting in the minimising of losses with marine casualty management,

salvage & wreck removal, and expert witness work. ABL Group is at the forefront of rapidly responding to marine casualties worldwide. We have worked on marine casualties of all scales, including some of the largest and most complex incidents in recent history. Our global network of offices enables us to provide a veritable 24/7 global emergency response service.

Global Marine Emergency Specialists

Our global maritime teams provide valuable technical support to the attending casualty specialists, with a range of services to manage the loss, support in any salvage and removal operations, and to conduct marine casualty investigations to understand the cause of the accident.

Ports and Harbours

ABL Group provides a comprehensive range of services necessary for port development, modification, and operation. Whether to develop the modern and efficient port infrastructure needed for the latest generation of cargo ships, to LNG and increasingly Hydrogen and other clean fuel terminals, to supporting ports for the needs of offshore wind construction, or assisting with ports reducing their carbon emissions, the ABL Group has the expertise and tools for our clients.

Our ports and harbours team offer marine studies, including technical due diligence, and engineering consulting services to assist in the development of new and existing port projects.

Defence

ABL Group is a well-known and trusted provider of marine and engineering consulting services to the maritime defence sector. Along with our group company Longitude Engineering, we are well equipped and experienced in managing highly confidential projects for the defence sector across the world.

Our services include naval architecture and engineering for vessel design, conversion and upgrades, advanced analysis and simulation services, marine systems engineering and consulting, marine operations engineering, marine assurance and risk services, as well as support in expert witness, claims and litigation.

Small Craft

We offer a wide range of marine and engineering consulting services to support small craft across the maritime, oil & gas, defence and renewable sectors, providing technical support at any stage of an asset's life-cycle. From Small Patrol, passenger, rescue and rigid inflatable boat design to small boat modifications, Longitude develops design both independently, or by working alongside the client's design team.

Superyachts

A trusted partner to the insurance industry, yacht brokers, management companies and owners worldwide, ABL Yachts offers clients the strength of a large multi-disciplinary superyacht survey team with a collective experience measured in hundreds of years, combined with the heritage and support of one of the marine industry's most respected brands.

Leading on decarbonising the maritime sector

The International Maritime Organisation (IMO) has made a commitment to cutting greenhouse gas emissions from international shipping by at least 50% by 2050 compared to 2008 levels.

ABL Group along with group company Longitude Engineering, have developed specialised in-house capabilities to provide comprehensive advice and technical support to clients in their transition to more sustainable shipping solutions. Our services cover support from early advisory and feasibility, through to design and build, and subsequent marine and risk assurance.

Clean shipping system design

Through expertise in electrical engineering, marine-based green technologies including hybrid-propulsion, fuel-cell and battery technology, combined with Longitude's IMT-OSD unit's long-term vessel design and engineering expertise, and group company Innosea's specialist capabilities in feasibility and analysis of marine renewables, we as a group are highly experienced in supporting with the detailed concept design, engineering, analysis and integration of clean shipping systems.

Marine emissions tracking

We bring an in-depth understanding of industry frameworks such as: The Poseidon Principles, The Sea Cargo Charter and Port Emissions Toolkit, combined with long-term expertise across different segments of the maritime industry.

We provide tailored consultancy and engineering solutions, which will aid clients in their understanding of their carbon and pollutant footprint, and help them in setting up a viable roadmap for future carbon-reduction and compliance with ESG commitments and industry frameworks.

emiTr

emiTr is an ABL group digital tool, an easy-to-use inventory of the complex web of a port's emissions, mapping their both direct and indirect sources, developed by ABL group in collaboration with Shoreham Port – a UK Trust Port. emiTr gives ports and harbours the power to track emissions, calculate the cost and risk of their emissions, and facilitates the necessary data and information to put down a roadmap to take action against your emissions footprint.



Oil & Gas



Oil & Gas



With energy specialists across our network of global offices and our wider global footprint of specialist consultants across more than 300 locations, ABL Group has the market-leading technical expertise to support clients regardless of the project size, type, complexity, and anywhere in the world covering upstream, midstream, onshore and refining and petrochemical projects.

Through-life marine and engineering consulting for Oil & Gas projects

ABL Group provides services at every stage in the lifecycle of an oil and gas project. Between our group companies, we have the knowledge and experience to support right from the start at feasibility, early development and engineering, right through to marine warranty survey, operations and maintenance and end of life support with either life extension support or decommissioning.

Our clients come to us for a full range of services from surveys, inspections and audits to marine and engineering consulting, and engineering and design. We are the world number one provider of marine warranty survey for oil and gas projects, and also provide a world-leading support package for rig operations on a global scale.

World-leading in Oil & Gas MWS

Over the years we have acted as MWS on more than 1000 large energy infrastructure projects of all types, as well as thousands of other smaller marine operations.

Our work has included the world's leading energy insurers and underwriters, as well as oil and gas majors. We are also experienced in providing tailored solutions to smaller energy operators, EPCI companies, oil and gas field service and equipment companies, vessel owners / charterers etc.

Upstream

We provide far-reaching multi-disciplinary expertise supporting rigs throughout the lifecycle of an asset. We offer market-leading services supporting rig moves and rig inspections for rigs of all types and sizes, both onshore and offshore, and anywhere in the world with services including geotechnical engineering support, engineering consulting, MOU transportation MWS etc.

The ABL Group is the market leader in marine warranty survey ('MWS') on offshore T&I operations for upstream infrastructure, with a long track-record in providing technical support to some of the world's most high-profile and complex production platforms and floating infrastructures.

Midstream

ABL Group's oil and gas specialists have been at the forefront of offshore midstream development for over 20 years. Our teams of marine and engineering consultants include specialists in subsea pipeline engineering and SURF technology, with project experience covering some of the world's most high-profile and complex subsea pipeline installation projects, including NordStream 2, Turkstream, Trans-Anatolian ('TANAP') amongst others.

World-leaders in marine warranty survey for pipeline installation, we have an in-depth practical and theoretical understanding of key challenges in pipeline projects and provide comprehensive risk-mitigation strategy, we also offer a

range of other marine assurance and risk services, engineering and consulting, to support pipelay work at different projects stages, including with removal operations at decommissioning.

Our engineering and consulting experts from group company Longitude Engineering includes expertise in marine operations engineering, metocean and coastal engineering, advanced analysis and simulation, amongst other areas.

Natural gas is the fastest-growing fossil fuel at over 20% of the global energy mix, with the incentives it can offer as a 'transition' fuel as the lowest emitter of greenhouse gases compared to oil and coal. As a result, the demand for global LNG is projected to continue to grow.

ABL has stayed ahead of this market growth, by supporting as MWS on a number of the world's most significant LNG developments, including Ichthys, Gorgon, Yamal LNG and LNG Canada.

Onshore

In recent years, very large construction projects are being executed with worldwide procurement strategies requiring significant marine transportation campaigns to bring high-value items such as modules, pre-assembled units (PAUs), vessels, equipment and other materials from their place of fabrication/ supply to the final site location.

Such projects include multiple loadout, transportation and offloading operations occurring simultaneously in multiple locations. With our far-reaching global footprint and effective centralised global management systems, we have provided seamless MWS, marine assurance and risk, and engineering and consulting services to support onshore projects since the 1980s.

Whilst a significant number of recent projects have been for the construction of LNG export facilities, we have also provided our services to petrochemical, mining and power projects, and for major civil infrastructure projects such as bridges, ports and harbour complexes.

As well as MWS, the wider ABL group offers a broad range of specialised capabilities in engineering and consulting, and marine assurance and risk, to provide all-round third-party support to a cargo transportation by sea or ocean, from early planning of the operation, right through to successful, safe and optimum delivery of the operation.

Refining & Petrochemical

ABL Group has a world-leading track record and trusted reputation amongst the insurance and underwriting markets, as marine warranty surveyor (MWS) on large-scale onshore projects and for project cargo. The development of refining and petrochemical plants more often than not would require sea and ocean transportation of critical and high-value modular assets from different global locations. ABL is well-placed to support with MWS and marine and engineering consulting for the de-risking of critical marine operations.

Loss Adjusting

Our loss adjusters are industry leaders in the adjustment of Upstream, Midstream and Downstream Oil & Gas insurance claims.

With engineers in all disciplines located globally, our adjusting expertise extends across Energy, Power, and alternative power sectors in both the onshore and offshore environments.



Decarbonisation and Hydrogen

The energy transition is accelerating and the ABL Group are leading in a number of areas, from exploring how offshore wind can help reduce the carbon intensity of offshore oil and gas assets to working with clients on proving the hydrogen value chain across all our markets.

Through our OWC unit, we have authored feasibility studies for owners of offshore oil and gas assets in the North Sea and undertaken work in preparation for the Scottish INTOG (Innovation and Targeted Oil and Gas) leasing round, a round to apply for the rights to construct offshore wind farms specifically for the purpose of providing low carbon electricity to power oil and gas installations and help to decarbonise the sector.

We also have an active and sought-after Hydrogen team that work across a number of areas, examples are:

- Hydrogen strategies and road maps for public, semi-public bodies, and large corporates such as OWC's work for the Asian Development Bank and INNOSEAs for the Offshore Hydrogen Analysis and Road Map for France project
- Owner's engineering by including engineering FEED review for Air Product's NEOM Green Hydrogen project in Saudi Arabia
- Design of the hydrogen fuel cell powered seagoing ferry, the HYSEAS III project for CMAL
- The development and design of a green hydrogen production and bunkering barge for mid-sized ports for the DFT and InnovateUK

Members of the Board



Glen Rødland ⚡
Chair of the Board

Glen Rødland is an independent investor and is the chairperson and board member in Prosafe SE, SES-X Marine Technologies and ATDL AS, as well as ABL. He was a senior partner at HitecVision for four years, and for ten years was a partner and co-investor of Direct Active Investments in Ferncliff TIH AS. Mr Rødland has worked for 15 years with portfolio management, financial analysis, and investment banking for DNB (Vital) and Swedbank (formerly First Securities and Elcon Securities). In addition, Mr Rødland has also worked in the shipping company Jebsens and as a management consultant in PWC. He has MBA and Post Graduate studies in Finance from NHH and UCLA. Mr Rødland is a Norwegian citizen and resides in Bærum, Norway.



Rune Eng ⚡
Independent Non-Executive Director

Rune Eng has significant experience from his many years in the energy sector. His last position was Executive Vice President International of the TGS. He was previously CEO and President of Spectrum Geo Limited (subsequently sold to the TGS Group), a position he held for almost nine years. Mr. Eng has also held various roles at PGS ASA over a period more than 13 years as well as roles in Fugro, Digital Equipment Corporation A/S and GeoTeam Group. Mr. Eng holds a Bachelor of Science in Geophysics from the University of Oslo and a Master of Science in Geophysics from the University of Gothenburg. Mr Eng is a Norwegian citizen and resides in Oslo, Norway.



Yvonne L. Sandvold ⚡
Board member

Yvonne L. Sandvold is the founder and Chief Executive Officer of YLS Næringseiendom and the Chair of the Board of Frognerbygg AS. She has extensive experience in the Norwegian real estate industry. Ms Sandvold currently serves on the board of several private and public companies. She holds a cand. psychol. degree from the University of Oslo. Ms Sandvold is a Norwegian citizen and resides in Oslo, Norway.



Synne Syrrist ⚡
Board member

Synne Syrrist is an independent business consultant and has extensive experience as a non-executive director of both private and public companies. Ms Syrrist was previously a partner and financial analyst at First Securities. She currently serves on the board of several public companies, including Awilco LNG ASA, Awilco Drilling Ltd and Naxs AB. She holds an MSc from the Norwegian University of Science and Technology and is qualified as an authorised financial analyst at the Norwegian School of Economics and Business Administration. Ms Syrrist is a Norwegian citizen and resides in Oslo, Norway.

Executive Management



Reuben Segal ⚡
Chief Executive Officer

Reuben Segal has over 20 years' experience in the offshore and shipping sectors, covering both engineering design and ship surveying. He is a naval architect and has extensive recent global business development experience with a focus on design and construction of offshore oil and gas assets, including MODU and MOPU units from FEED through to yard delivery. He has held many senior executive roles in the industry, most recently COO of ABL Group. He holds a Master's degree in Engineering from the University of Newcastle. Mr Segal resides in Dubai, UAE.



Dean Zuzic ⚡
Chief Financial Officer

Dean Zuzic is an experienced CFO who has more than 30 years' finance and management experience. He has held CFO roles at Oslo-listed seismic players TGS-NOPEC Geophysical Company ASA and Spectrum ASA. Prior to this, Zuzic held CFO positions at Norwegian recycling group Norsk Gjenvinning, home textile retailer Kid Interior and Nordic retail group Plantasjen. He started his career with McKinsey & Company and has also worked as an equity analyst.



Bader Diab ⚡
Chief Operating Officer

Dr Bader Diab is one of the founding members of the ABL group and currently holds the position of Chief Operating Officer. He has worked in the offshore energy industry for more than 30 years including postings in the UK, Middle East and United States. Bader has held senior management positions in several offshore and marine consultancies including a recent position of Regional Managing Director – Americas with the ABL Group.

Bader is a Civil / Structural engineer with experience in the global performance of offshore structures, including transportation and installation, and the design of MOUs. He is a registered professional engineer in the states of Texas and Alaska.



RV Ahilan ⚡
Chief Energy Transition Officer

Dr Ahilan is a Chartered Engineer with over 30 years' of industry experience, 25 years of which has been at board level. Previously he was CEO of LOC and has held leadership roles in DNV GL, GL Garrad Hassan and Noble Denton. With expertise in hydrodynamics, he has led projects which have set standards and safety factors in jack-up site assessment, mooring systems and marine transportation. He is an Advisory Board Member of WavEC Offshore Renewables and a Trustee of the charity Marine Technology Trust and was Non-Executive Director a vertical axis wind turbine company. He holds a BSc (Leeds) and MS (Caltech) in Civil Engineering, a PhD (Cantab) in Engineering Fluid Mechanics, an MBA (Imperial) and is a Fellow of the Royal Academy of Engineering.



Svein O. Staaen ⚡
General Counsel

Svein O. Staaen has over 20 years professional experience from law firms and in-house legal positions, with particular experience from maritime and energy industries. He holds a Master's of Law degree from the University of Oslo and a Diploma in English Commercial Law from the College of Law, London. Mr Staaen is a Norwegian citizen and resides in Bærum, Norway.

Sustainability Report



ABL Group finishes 2021 larger again, another doubling in size, bringing a significant increase in opportunity, impact, and responsibility. At ABL Group we recognise that for our business to be successful in the age of climate crisis and energy transition, we must redefine what we do in a genuine way to put sustainability at the center of all strategy and operations.

In our 2019 Annual Report we presented a clear sustainability statement and vision. This was a statement of intent with 5 key principles to guide and drive our journey.

This has guided many decisions over the last 12 months:

- Continuing to increase the renewables and other energy transition share of group revenues as we drive towards 50% by 2025
- Broadening our services to help clients decarbonise other sectors such as maritime and oil and gas,
- Creating a Chief Energy Transition Officer role at the executive management level to bring innovation and new services to help our clients decarbonise and the world transition safely but as fast as possible
- Rolling out BS EN ISO 140001:2015 across our global operations
- Working to improve diversity and put a number of foundational policies in place
- Supporting the community, focusing on aligned areas, consistent with our SDGs, with staff and company contribution and volunteering

This Sustainability Report will describe our actions to continually improve the integration of the United Nations Global Compact and its principles into our business strategy, culture, and daily operations. By including this in our Annual Report to shareholders, we also show our commitment to sharing this information with our stakeholders using our primary channels of communication as a key document in our Environmental, Social, and Governance ("ESG") reporting.

Reuben Segal ⚡ Chief Executive Officer

The Report

In February 2020 we became a signatory of the United Nations Global Compact and published our first Communication of Progress in February 2021. AqualisBraemar LOC re-affirms our commitment to the ten principles of the UN Global Compact in the areas of human rights, labor, environment and anti-corruption. This report is shaped by the Sustainable Development Goals (SDGs) introduced by the United Nations in 2015.



In 2020 we performed our first materiality assessment to explore our priorities on sustainability. We explored and evaluated the aspects of our business that have the biggest environmental, social and governance impact.

The seven materiality topics that we considered to have most impact on and the most importance to AqualisBraemar LOC and our stakeholders are:

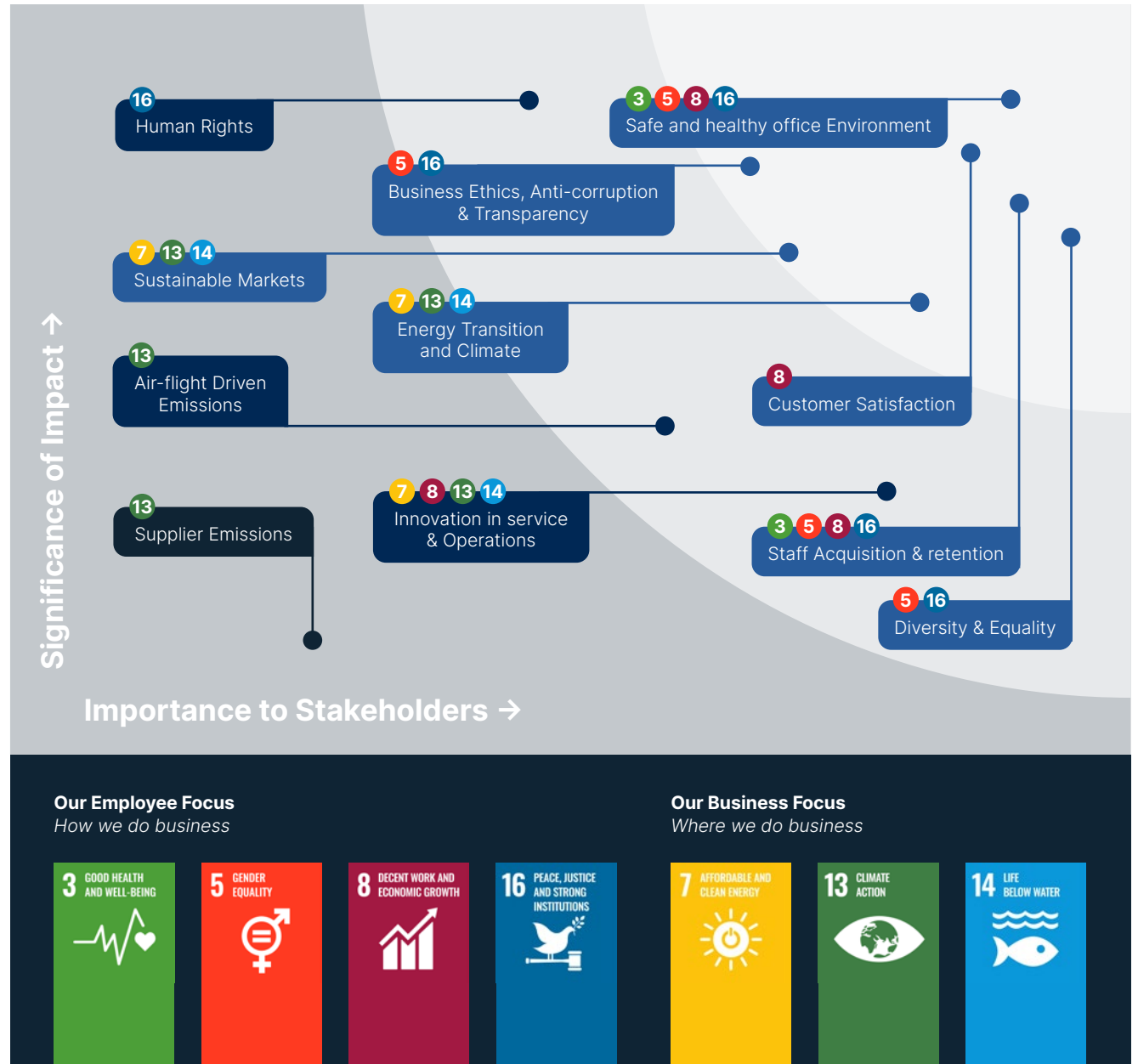
- Safe and healthy attendances
- Business ethics, anti-corruption, and transparency
- Staff acquisition and retention
- Customer satisfaction
- Diversity and equality
- Sustainable markets
- Energy Transition and climate

After our initial benchmarking materiality assessment we consider these seven SDGs have the highest importance to AqualisBraemar LOC and our stakeholders. We further grouped the SDGs we have key focus on into two groups:

- Employee focused, so **how we do business**
- Business focused, so **where we do business**

Guiding purpose in this initiative is:

Energy and the oceans are at the centre of our business; the sustainability of both is vital for the future of our company and the world in which we operate and live.



Human Rights

Over the past year, ABL Group has gone through a large amount of change. During this transition, we have had to deal with a change in our culture and changing work environments resulting from the pandemic. We understand the importance of our people and how each and every one of our employees has a part in driving the business forward. In order for that to happen successfully, we need to make sure we are investing in them where appropriate. A safe, clean, healthy, and sustainable environment is integral and without a healthy environment we are, unable to fulfill our aspirations.

We remain committed to the United Nations Global Compact and its goals surrounding Human Rights. Our Corporate Code of Conduct remains in place for the business which advocates high standards of honesty, integrity, and ethical behaviour in our daily business and expects all representatives of our company to conduct their daily business in a safe, fair, honest, respectful, and ethical manner. People are also happier and healthier when they can be their best selves which underpins high performance.

We are also pleased to report that there have been no suspected violations of our policies in this area.

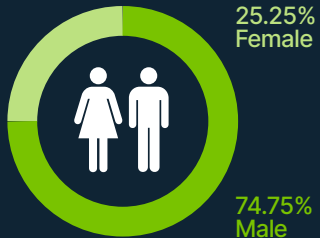
Throughout 2021 the company signed up for the Target Gender Equality Accelerator Course and is reviewing the areas of improvement for the group against the WEP Tool (The Women's Empowerment Principles Gender Gap Analysis Tool). As a company, we have a lot of the basic principles in place but have significant room for improvement surrounding our recruitment processes and further work to be done providing stand-alone and clearer policies on Diversity & Inclusion.

Throughout 2020 we celebrated the achievements of women engineers and we continued this throughout 2021 to promote diversity and development across the workplace and within our industry. A member of our staff joined the GWEC's development program for "Women in Wind" and has since been approached to participate in a radio p on BBC World Service called "The Conversation", in which an episode is being made with women working in the green/clean/renewable energy sector. In July 2021 we also hosted and participated in a panel discussion for Women in Shipping on Engineering Diversity for the future. This is an area that we would like to concentrate on looking forward and with the help of the Target Gender Accelerator Course, we should be able to set some specific goals. Over the past year, we have employed 157 new employees – 31% of these hires were female compared to 26% in 2020. Although this is a small increase, we see this as an improvement for a maritime/Oil & Gas business that has historically been a male-dominated environment.

Employee Diversity

2020

STAFF POPULATION



GROUP BOARD

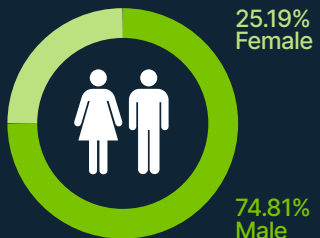


NEW EMPLOYEES



2021

STAFF POPULATION



GROUP BOARD



NEW EMPLOYEES



Nationalities

American	3.3%	Lithuanian	0.2%
Australian	3.2%	Malaysian	3.3%
Bahamian	0.2%	Mexican	3.0%
Bahraini	0.3%	New Zealand	0.2%
Brazilian	3.2%	Norwegian	1.0%
British	30.2%	Pakistani	0.2%
Bulgarian	0.8%	Polish	0.8%
Canadian	2.2%	Portuguese	0.2%
Chinese	6.6%	Romania	0.2%
Croatian	0.2%	Russian	0.5%
Czech Republic	0.2%	Singaporean	6.1%
Danish	0.3%	South African	1.5%
Dutch	1.5%	Spanish	1.7%
Egyptian	1.5%	Taiwanese	0.3%
Filipino	0.3%	Thai	2.7%
Finnish	0.2%	Turkish	0.3%
French	6.0%	Venezuelan	1.8%
German	1.0%		
Greek	1.2%		
Indian	7.0%		
Indonesia	4.0%		
Irish	0.8%		
Israeli	0.2%		
Italian	1.0%		
Japanese	0.3%		
Korean	0.7%		

Within the ABL Group we promote our staff internally and externally through a number of "Meet the Team" blog posts. This helps to promote the skills set we have across our regions and to further integrate our employees with one another.

As a joint business, we now have an enhanced global footprint with around 45 nationalities amongst our employee base. We value the diversity and inclusion of the people with whom we work, and we are committed to equal opportunities.

For 2022 ABL intends to make sure we are upholding fair employment practices through education, recruitment, training, and employee wellbeing. In 5 years, time it is said that around 75% of the workforce will be made up of Millennials, however,

we do not limit people's opportunity to contribute or advance based on age, childcare responsibilities, disability, ethnicity, gender, gender expression, sexual orientation, religion, pregnancy, or other protected personal characteristics.

We believe that a motivated and satisfied workforce is a key enabler of individual and business performance. As the business grows, we will be able to provide further career and development opportunities. It is important to engage with our employees to drive change in a meaningful way to work collaboratively and enhance the power to make a difference and the impact to serve our company's mission and vision.

Following our WEP analysis, it is clear we will also need to conduct further reviews around the gender pay gap and we are currently looking at new recruitment tools to help us track further elements surrounding diversity. Through the new ATS system, we will be able to clearly track and report on specific gender statistics and take proactive steps to recruit women at all levels within the organisation.

- Gender balance in total in the company
– for 2021, 163 females and 484 males
- Employees in part-time positions
– 21 part time employees – 12 Female and 9 Males
- Average number of weeks of parental leave for women and men
– Women 24 weeks, men 4 weeks.
- Employees who work involuntary part-time
– None

There are still a number of activities to undertake which includes reviewing our appraisal system and tying in staff and development goals with retention rates.



Throughout 2022 we have signed up to put a large number of our employees through specific training courses relating to leadership and management. We want to invest in our employees and provide them with the best tools that they need to succeed, and our next generation of leaders are equipped to deal with issues that may arise within the task force. The business is restructuring to include a more structured shared service centre for the group and we have filled the position of a Group Training Manager.

One of our subsidiary companies within ABL Group has been piloting a series of training courses looking at an Introduction to Line Management with a series of modules taking place over a 12-month period. As this has proven to be successful, we will be looking to roll this out across other areas of the business. Such topics include interviewing, motivation, and how to manage a flexible/hybrid team.

We updated our maternity and paternity policies throughout 2021 to make them more family-friendly and will be putting more focus into looking at our STEM returners (including those returning from maternity leave). We will also be reviewing further support policies such as fertility treatment / fostering / surrogacy / international adoption

Looking forward the company is looking to set up an ESG Committee. This will be made up of smaller inclusion councils looking at specific areas for improvement within the business, i.e diversity and inclusion, good well-being, etc. We believe this will lead to better collaboration, understanding, and communication between our employees. The idea would be for these smaller groups to meet regularly to set plans and objectives for the coming years and monitor progress.

Due to the nature of the business, we do not have specific external audits related to Human Rights Performance, however, this will be something that we will review internally throughout our ESG journey.

Labour

We value the diversity and inclusion of the people with whom we work and we are committed to equal opportunities. We prohibit discrimination, harassment, forced, trafficked, and child labour and are committed to safe and healthy working conditions and the dignity of the individual. Workplace Integrity means fostering and protecting a corporate environment that is inclusive, safe, and professional.

We do not limit people's opportunity to contribute or advance based on age, childcare responsibilities, disability, ethnicity, gender, gender expression, sexual orientation, religion, pregnancy, or other protected personal characteristics.

At the end of 2021 we hired a new recruit in the capacity of Group Talent and Acquisition Manager, who is currently reviewing our recruitment policies and investigating an Appicate Tracking System to implement across all regions.

We recently introduced a 6-month LinkedIn Recruiter pilot, which will help us drive traffic and create greater visibility/awareness both for the ABL Group as a company as well as in terms of recruitment activity on LinkedIn.

The pilot includes a fixed number of sponsored job postings, direct access to LinkedIn members (helping us to target the right people/talent), recruitment marketing, and will provide a great opportunity for pipelining of candidates as well as management of applications within the system.

The next step will be to roll out our new standard recruitment policy/process. With the recruitment process rolled out and the ATS is in place we will be in a way better position to support recruitment activities across the group, therefore able to track our retention rates and report on our diversity across the group.

The pandemic continued throughout 2021 and the company has introduced a much more flexible approach to work in many locations, a hybrid working pattern has become standard. We maintain that the newly adopted way of homeworking will not hinder any employees' chances of further development and career opportunities within the organisation.

For 2022 we will be rolling out a new ABL Privacy Notice along with guidelines around Personal Data Processing.

We also plan to roll out an employee survey globally in order to provide us with feedback on our policies and processes. In line with the recruitment policy, we are also planning on re-evaluating and designing a cleaner on/off-boarding process to improve the employee experience. We will be exploring a global HRIS system to assist us with implementing better and cleaner processes. Throughout 2022 we need to further our efforts in putting in measures to monitor and report on the demographics of our management and employees by diversity factors.

Currently one of our affiliated companies operates an Engineer Development Scheme and for 2022 we will be looking to roll this out globally across all divisions/entities to broaden our skillsets and train young engineers for the future. Along with expanding the graduate programme we will be looking to introduce a mentorship program. This will not only be for those graduates within the programme but for those members of staff looking to change roles or further their career in a specific field within the group.

Due to new ways of working, moving forwards our company aims to put more focus on our wellbeing programs. We would like to look at the promotion of physical fitness, promotion of healthy work life balance and stress management. We believe this will have a positive impact towards SDG 3 – Good Health & Wellbeing.

Mental Health is a big topic these days. We have been actively training staff on Mental Health First Aid which in turn will introduce a series of in-house training to line managers to be aware of signs and symptoms should any episodes occur. We have also been piloting training sessions related to stress at work and will be looking to roll this out to wider areas of the company. Additional councils will be set up to look at the areas of emotional well-being, social well-being, and physical well-being in line with our objective for setting up an ESG Committee. There are a number of topics that we are seeing more and more in the media these days relating to sensitive scenarios such as Menopause Awareness. We would like to incorporate training elements for line managers over the next 12 months in order for them to be aware of how certain medical changes can affect the workforce and how to deal with this.

We want ABL to be a safe place with senior leaders being visibly involved in looking at factors that contribute to effective diversity and inclusion.

At ABL we are committed to giving back to the economy and will be looking to roll out a number of charity-based events linked to benefit the environment. We believe that it is important to promote Team collaboration by taking part in social activities and challenges for charity. In 2021 the company took part in a "Race the Thames" challenge in support of seafarers. We want to explore more of these so our staff can engage with each other across the globe, take on new challenges physically and mentally.

Our employees have access to an Employee Assist Programme which remains confidential. Throughout the pandemic, it has been important to promote this service for those that have struggled with the change in the work environment.

Environment

Under sections 3-3a and 3-3c of the Norwegian Accounting Act, ABL Group is required to report on its corporate responsibility. ABL Group recognise that Health, Safety, and Environmental (HSE) matters are an integral part of its business performance and exemplary performance in the areas of HSE is essential to fulfill our vision and meet the expectations of our stakeholders.

Our ABL2030 guiding purpose, created and re-committed to in our 2021 Annual Report, is that energy and the oceans are at the centre of our business; the sustainability of both is vital for the future of our company and the world in which we operate and live. Our purpose not only makes environmental sustainability a responsibility for us in the way we do business, but also recognises that our business impacts the wider world and that we need to take responsibility for that too.

Though we are a company without any operating assets, we take our environmental responsibilities very seriously and our Integrated Management System (IMS), which is certified by LRQA, requires that all projects are reviewed for potentially adverse environmental risks.

ABL Group considers it to be fundamental good business and management practice to be able to identify, understand and take appropriate action on material environmental risks and opportunities to the business, this is pursued via a corporate risk management program and is independently audited as part of its BS EN ISO 140001:2015 certificate.

This process is overseen by the Corporate Risk Committee which includes our CEO, COO, General Council, and other senior management. The robust process encompasses the following:

- Review the corporate risk management framework
- Ensure that risks facing the organization are identified, evaluated, and adequately addressed
- Issue the corporate risk report on a quarterly basis and collate risks reported by regions and business lines.

- Drive and support the further improvement of the risk management process and provide business knowledge to the discussion of risks

We identified 'Climate change and environmental sustainability' as a material business risks and this has resulted in a range of strategic and operational actions to reduce the material risk to ABL Group's business and reduced any negative impact to climate change drivers, but also use our business activities to make a positive impact on UN Global Compact SDGs. A summary is presented in the table below.

Our ABL2030 ESG strategy includes two guiding principles that put environmental sustainability at the core of our business:

- Principle 4. Work towards a company-wide net zero carbon target to stay ahead of our markets & contribute to a net-zero world
- Principle 5. Continue to grow, innovate & develop new services to both accelerate & de-risk the energy transition & create business value

In support to Principle 4, in 2021, we have completed the implementation and accreditation of a group-wide environmental management system according to

RISK / OPPORTUNITY ORIGIN	<ul style="list-style-type: none"> • Climate change and environmental sustainability
RISK DESCRIPTION	<ul style="list-style-type: none"> • Reducing offshore oil and gas market over the medium to long-term due to the energy transition driven by Paris Climate Agreement • Overexposure to clients with negative ESG profiles such as oil and gas • Market pressure to measure and improve our own ESG performance
POSSIBLE IMPACT	<ul style="list-style-type: none"> • Loss of investor confidence and so reduced share performance • Reduction of oil and gas opportunities over medium to long-term as market shrinks, with additional competitive pressures impacting pricing • Reduce attractiveness as a place to work for younger more value driven staff
COUNTER MEASURES	<ul style="list-style-type: none"> • Establishment our ABL2030 ESG strategy • Diversification into more sustainable market segments such as offshore wind, onshore renewables and maritime sectors such as insurance, adjusting, shipping, expert witness, Yachts, and Ports and Harbours • Targeting 50% of our group revenues from renewables and other energy transition or sustainability-driven revenues by 2025 • Accreditation of our operations to BS EN ISO 140001:2015 • The creation of the position of Chief Energy Transition Officer on our executive team

Climate Change Risk Excerpt from Corporate Risk Register

BS EN ISO 14001:2015. Our environmental management system is designed and specifically structured to cover environmental aspects that ABL Group can control and directly manage, and those it does not control or directly manage but on which it can be expected to have an influence.

The aspects of ABL Group business that interact with the environment are identified and evaluated. Appropriate processes are established to minimise waste, use resources efficiently, encourage recycling and work towards a companywide net zero carbon target.

In terms of supporting Principal 5 and so generating more revenues from renewables and sustainability-driven services we achieved:

- Achieved 53% revenue growth in renewables bringing renewables share to 27% of group revenues
- Worked on 99 offshore wind farms with a total capacity of 68GW and carried out over 100 MWS assi on renewable energy projects
- Formed and launched a new business unit serving the onshore wind, solar, and energy storage and started work on a range of assignments including battery storage feasibility studies
- Partnered on 20% of all capacity awarded in the 25GW ScotWind offshore wind leasing process
- Opened renewables serving hubs in Ireland, France, and Brazil
- Established a climate change resilience capability and led a global industry-wide survey of the impact of climate change on offshore wind
- Significantly expanded our green hydrogen capability and services with key expert hires and project awards such as:
 - Concept design of the HySeas III hydrogen fuel cell ferry for CMAL
 - Design of hydrogen production barge for port bunkering

Following the merger in April 2021, AqualisBreamar & LOC Group aligned and integrated their legacy QHSE management systems, Technical governance, IT & HR systems, Branding, Legal, Commercial and Financial systems to eliminate complexity and to standardise and harmonise across the group.

ABL Group provides broad consultancy services to the Energy and Maritime sectors. In the capacity of a consultancy firm, ABL Group members may provide advice and recommendations to the Client or the Site representatives about the technical environmental aspects or issue and /or the site-specific HSE implementation, however, the Client Management is responsible for directly managing and maintain the workplace. Our Environmental Manual describes roles and responsibilities that ABL places on all employees and subcontractors

in order to minimise the impact and to ensure the best available practices are established and adopted. All new hires are given induction training that describes the environmental issues and risks applicable to their role, this is then reviewed annually and communicated to the staff via QHSE consultation and participation methods such as QHSE Committee, Staff Briefings, Team Meetings, Internal Bulletins, and Flashes and Internal SharePoint Site.

In 2021 we began measuring our environmental impact in the offices – the phased return of the employees to the premises as well as bringing together management systems from legacy companies allowed us to review and evaluate the practices and implement standardised system across all offices.

ABL Group conducts its business in a manner that prevents harm to people, the environment, or assets. We are committed to creating a work culture where the prevention of harm is a priority for everyone.

In April 2021, we established a company-wide Integrated Quality, Health, Safety, and Environmental management system ensuring consistent processes and systems within the ABL group. Our Integrated Management System Manual is a comprehensive document establishing processes and policies required to fulfill our legal requirements, client expectations, and most importantly to ensure the health and wellbeing of our employees. Further, Rigorous procedures have been established to identify and manage HSSE risks, Business, Contractual and Legal risks and capitalise on opportunities.

Our Management System was subject to a Global external certification audit by LRQA in November 2021. The outcome was quite positive and ABL has been certified to ISO 9001: 2015, ISO 14001: 2015, and ISO 45001: 2018.

ABL Group Combined Health, Safety and Environmental Statistics for 2020 can be seen in the graphic on the right.

Overall, ABL Group reported 2 lost time injuries in 2021 and the lost time injury frequency rate per million person-hours is at 1.14.¹ These incidents were investigated and lessons learned have been disseminated. Our aim in 2022 is to reduce the number of recordable injury cases through improved processes and internal training.

As part of improving the HSE culture, ABL launched HELP (Hazard Elimination and Learning Program), a behavioural-based safety observation program in May 2021. This program facilitates to capturing all near-misses and HSEQ observations at client sites and ABL Group premises and addresses safety issues with all stakeholders involved. A total of 167 HELP cards were initiated by ABL employees in 2021.



Furthermore, in 2021, we focused on increasing environmental awareness and implemented various green initiatives within ABL Group operations.

Competence development is critical for ABL Group to achieve HSE objectives and build a culture of effective HSE practices. In addition to the mandatory HSE training, an e-learning program focusing on the HSEQ management system and internal processes was rolled out to all staff in 2021.

¹ LTIF for 2020 was 1.00 not 0.00 as incorrectly reported in last year's Sustainability Report.

Anti-corruption

The Board of Directors has approved and implemented corporate governance principles endorsing and complying with the Norwegian Accounting Act (§ 3-3b) and the Norwegian Code of Practice for Corporate Governance (Code of Practice) issued by the Norwegian Corporate Governance Board.

ABL Group is committed to conducting its business in a manner that adheres to the highest industry standards and strictly in accordance with applicable laws and regulations in the regions and countries where we operate.

The Group advocates high standards of honesty, integrity, and ethical behaviour in its daily business and expects all representatives of ABL Group to conduct their daily business in a safe, fair, honest, respectful, and ethical manner.

ABL Group has a corporate compliance officer, employees are provided training on compliance and are instructed to report suspected violations of the Group's code.

All staff must complete e-learning modules that support our policies. Our goal is continuous improvement, and we are focusing on improving anti-corruption monitoring and reporting.

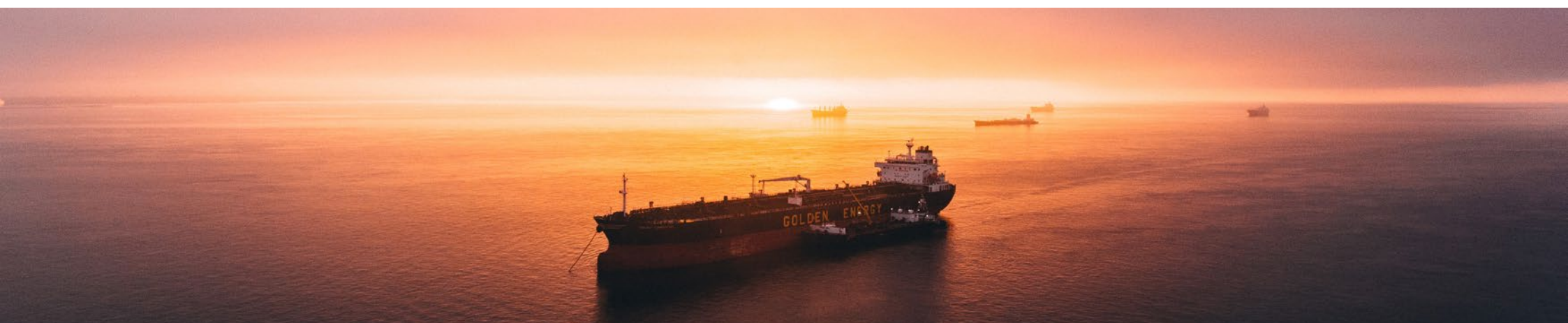
In 2021, new training on Cyber security and refresher training on Anti Bribery and Corruption compliance were rolled out. Over 80% of staff have completed the Anti Bribery and Corruption refresher training and 50% have completed the Cyber Security training. A total of 1550 users were registered on the Ethics and Compliance training platform and each employee spent an average of 1.3 training hours.

In line with the ABL Group Training Matrix, all new starters are signed up for Anti Bribery & Corruption Compliance and Cyber Security training with immediate effect following the appointment, and refreshers are conducted every 3 years.




The ABL Way of Doing Business - Corporate Code of Ethics and Business Conduct sets out the basic rules and standards of behaviour expected on matters that are important to our company and to conduct our business in an ethical and compliant manner in accordance with our values. This handbook is also shared with our freelancers via the freelancer QHSE Package. Both staff and contractors must acknowledge the reading and understanding of the requirements. The Code of Conduct gives general instructions on employees' responsibilities in preventing bribery and corruption in business dealings, including reporting suspected Violations. The Code of Conduct is further supported by our internal SOP18 on Regulatory Compliance. This focuses further on our compliance requirements with international laws, including sanction laws described in SOP15.






Our Code of Conduct states that our staff has the option to report to their Line Manager, our General Counsel or Group Operations Director. We have recently created and published a Whistleblowing Policy that supports all grievances or suspected wrongdoing instances. This includes bribery, fraud or other criminal activity, miscarriages of justice, health and safety risks, damage to the environment, issues in the workplace, and/or any breach of legal or professional obligations. This policy covers all employees, officers, consultants, freelancers, contractors, work experience or internship workers, volunteers, casual workers, and agency workers of ABL Group. We stress confidentiality will be protected where appropriate and that we will not penalise or discriminate against anyone who provides information to the company relating to what they believe is corrupt or unethical practices.

Regarding taxation, our policy is one of full compliance with all relevant domestic and international laws, rules, and regulations. Management of our tax affairs is also consistent with our ethics policy and code of business conduct, which are built around fairness, openness, and honesty. As a listed company we must also demonstrate full compliance in these areas.



Progress and 2022 goals

SDG	ABL Key Topics	Year Started	Action	Status & Progress Completion
3 GOOD HEALTH AND WELL-BEING 	Health & Safety in office/ attendance	2021	Review Mental Health coverage and training	Medical Coverage in each region was explored and some small training programmes rolled out for mental Health and working from home in some locations. Goal to be explored further in 2022 with specific training topics rolled out and in some regions employees looking at mental health first aiders (50%)
		2021	Review Substance abuse	Policy and health schemes reviewed (100%)
		2021	Post pandemic a more flexible working pattern will be established	Implemented (100%)
		2021/2022	Encouraging all staff to take a health check assessment	Done ahead of most lock downs but needs to be readdressed in 2022 following the pandemic and introduction of hybrid working so will return to the beginning (0%)
		2021/2022	Develop Mentoring programme across the business stream	For 2021 no progress – will be a push in 2022. This also will go hand in hand with expanding the Graduate Scheme for all divisions globally. (0%)
		2022	Expand the Graduate Training Scheme globally	Process underway for September 2022 intake (10%)
		2022	Mental Health Initiatives & Training	15%
5 GENDER EQUALITY 	Diversity and Equality Human Rights	2021	Review and amend our non-discrimination policy	Completed (100%)
		2021	Review and assess topics around gender pay gap	Reviewed in Target Gender Equality Accelerator course but not yet actioned (25%)
		2021	Review and suggest improvement of recruitment policies	Revisited with the hire of Group Talent & Acquisition Manager. Draft in progress and will be implemented along with a new ATS System (75%)
		2021	Review our internal appraisal system and assess possible line management training need	Pushed to 2022 and in line with exploring a complete HRIS system (0%)
		2022	Management Training	Programme for Ashridge Training School rolled out for 2022 training (50%)
		2022	Programme for STEM Returners	
		2022	Review additional Family Friendly Policies	
		2022	Review and implement a separate D&I Policy	
		2022	Implement a more comprehensive ABL Privacy Notice along with guidelines around Personal Data Processing.	Process started (75%)
		2022	Roll out an Employee Engagement Survey	
2022	Research and start to implement a global HRIS System	Process beginning (5%)		
3 AFFORDABLE AND CLEAN ENERGY 	Energy Transition & Climate	2021	Launch 2 new services in either renewables or sustainability sectors	Recruited and launched a Wind & Site service and an Onshore Wind, Solar & Energy Storage business unit within 2021 (100%)
		2021	Grow renewables business by 40%	Grew renewables by 53% in 2021 (100%)
		2022	Launch 2 new services in either renewables or sustainability sectors	

SDG	ABL Key Topics	Year Started	Action	Status & Progress Completion
	Energy Transition & Climate	2022	Grow renewables business by 25%	
8 DECENT WORK AND ECONOMIC GROWTH 	Human Rights Health & Safety in office/ attendance Diversity and Equality	2021	Develop a Formal Human Rights Policy	Completed (100%)
		Ongoing	Zero lost-time injuries, medical treatment cases or restricted work cases in the office or attendance environment	ABL Group reported 2 lost time injuries in 2021 (0 in 2020) and the lost time injury frequency rate per million person-hours is at 1.14 (1.00 in 2020). Full stats in Report.
13 CLIMATE ACTION 	Sustainable Business Model Innovation Air Flight Driven Emissions Suppliers Emissions	2021	Audit the whole group to determine a baseline CO2 emission for the group and put in place a carbon accounting system	Integration between AqualisBraemar and LOC Group slowed down progress, however, we now have BS EN ISO 140001:2015 across all operations. We plan to have a baseline audited within 2022 (20%)
		2021	Roll out ISO 14001: 2015 across all offices in by the end of 2021	Completed (100%)
		2021	Develop our clean shipping service line	Integrated our Group-wide capability to market capability, won first contracts and acquired OSD-IMT a vessel design company to bolster our capability in this segment. (100%)
		2022	Review Travel Agents globally and review our carbon footprint	
		2022	Implement a new electric car benefit scheme in UK	Started (10%)
		2021	Launch 2 new services in either renewables or sustainability sectors	Recruited and launched a Wind & Site service and an Onshore Wind, Solar & Energy Storage business unit within 2021 (100%)
		2022	Launch 2 new services in either renewables or sustainability sectors	
14 LIFE BELOW WATER 	Diversity and Equality Human Rights	2021	Launch 2 new services in either renewables or sustainability sectors	Recruited and launched a Wind & Site service and an Onshore Wind, Solar & Energy Storage business unit within 2021 (100%)
		2022	Launch 2 new services in either renewables or sustainability sectors	
16 PEACE, JUSTICE AND STRONG INSTITUTIONS 	Business Ethics & Anti-Corruption	2021	Roll out relevant 3 year Ethics and Compliance re-training to staff	All new starters are signed up for Anti Bribery & Corruption Compliance and Cyber Security training with immediate effect following the appointment, and refreshers are conducted every 3 years.
		2021	Review the need to incorporate additional training to staff in countries that score low on Corruption Perceptions Indexes	Not started in 2022, planning started and will be rolled out in 2022. (5%)
17 PARTNERSHIPS FOR THE GOALS 	All SDGs will contribute to Number 17 in some way	2021	Align our ongoing sustainability reporting metrics to the SDGs	Continuous Progress
		2021	Set specific improvement goals	Continuous Progress
		2021	Conduct internal trainings across our organization to educate our employees about ESG	Due to merger between AqualisBraemar and LOC Group this action has been slow, we will progress in 2022 (10%)
		2021	Supporting initiatives to promote transparency and anti-corruption, e.g., UN Global Compact	Continuing to commit to UNGC goals
		2021	Support initiatives to promote human rights in our business areas, e.g., Neptune Declaration	Signed up to Neptune Declaration and continue to promote awareness. Will continue to explore opportunities.
2022	Setting up an ESG Committee including separate inclusion councils	Structure agreed, will be set up in H1 (15%)		

Development of CSR initiatives (Corporate Social Responsibility)



In recognition that our guiding purpose is that the sustainability of the world in which we operate and live is vital for the future of the company, we report here in the continued development of our group-wide CRS programme. This programme encourages colleagues to take time out of their working day to engage in charitable and social initiatives.

Last year we selected initiatives, which each touched on a number of topics driven by the UNGC and that intertwine with the SDGs, namely human rights, health and safety on attendance, and energy transition & climate goals. Furthermore, they promoted our SDGs among individuals in the company and created a space for colleagues to engage in a positive way with the communities and sectors in which we work and live. The activities also brought teams closer together in a non-work environment, encouraging a positive and meaningful culture.

Here is a summary of some of our activity:

ABL Group becomes a signatory of the Neptune Declaration

ABL Group was proud to join more than 850 organisations as a signatory of the Global Maritime Forum's [Neptune Declaration on Seafarer Wellbeing](#).

ACTIONS

- #1 Give seafarers key worker status, giving them priority access to COVID-19 vaccines
- #2 Establish and implement gold standard health protocols based on existing best practice
- #3 Increase collaboration between ship operators and charterers to facilitate crew changes
- #4 Ensure air connectivity between key maritime hubs for seafarers

We have a shared responsibility to resolve the crew change crisis. Join us.

The Neptune Declaration on Seafarer Wellbeing and Crew Change

The initiative was set up in response to the pandemic's adverse impacts on seafarer safety and wellbeing, namely the crew change crisis and challenges in vaccinating seafarers. It calls for signatories to promote 4x main actions, as communicated in our graphic.

Recognising that many of our own staff come from seafaring backgrounds, as well as the risk to both human and operational safety at sea, posed by the crew change crisis, we felt compelled to become a signatory in April 2021.

Since then...

- We continue to promote the Neptune Declaration and our support for this initiative, at all relevant maritime events incl. monthly maritime market briefings
- We report intermittent news as we receive it on the declaration, on our corporate LinkedIn page

We hope that our vocal support for this initiative, has encouraged others in the industry to become signatories as well.

Support for The Mission to Seafarers

In connection to the above, we announced our group-wide support for the important work of the Mission to Seafarers (MtS) in May 2021.

The Mission to Seafarers is a global charity, which provides practical, emotional and pastoral support to seafarers and their families via a network of over 200 ports worldwide.

In promoting our support for MtS, Group CEO at the time, David Wells commented:

"This is a charity which resonates with us given a large portion of our staff come from seafaring backgrounds themselves. We recognise the vital role MtS plays in providing practical, emotional and pastoral care to men and women working at sea – particularly in these times following the vast impact of the pandemic on shipping communities."



Many of our colleagues across the group support MtS in their own ways as ambassadors, or in delivering supplies to ports, as well as engaging in various charitable functions across the regions (ref. picture above to MtS' annual Golf Tournament, Dubai).



Race the Thames Challenge

In spring 2021 we arranged a team challenge for ABL Group UK offices, to compete in **Race the Thames**, raising money for MtS and for London Youth Rowing (LYR).

60 members of staff from ABL, OWC and Longitude, from all levels, took part in the challenge racing in teams of 8 to complete or exceed 72k in 8 days.

We raised a total of **£5,323.73**, to be split between our two chosen charities.



OWC engages with Business Volunteers

OWC engaged with a professional partner in sourcing and managing CSR volunteer days, called Business Volunteers.

Through this partnership, Business Volunteers paired the OWC London office up with two activity days over the course of last year, both of which were relevant to OWC's commitment to driving a more sustainable and cleaner environment:

- In spring 2021, OWC's London team spent a day building a children's nature garden in southwest London. The day included the team working together to build accessible raised beds for children to learn about growing food and eating healthily
- In October 2021, the same team went canoeing in East London's Regents' Canal to clear up discarded rubbish. Clearing plastic, wood and general waste, not only improves the local environment, but also makes it more attractive to nature and people alike.

Some comments from colleagues who took part:

"It was a brilliant day, getting outdoors, seeing colleagues again and helping make improvements to the local area,"
—Will Philbidge

"It was great to meet people I'd only seen from behind a screen for the last couple of month,"
—Iain Dallas



CSR in 2022

Moving into 2022, we continue to take active steps to encourage a frequent and diverse CSR programme, which both supports ABL Group in fulfilling its SDGs, and encourages a healthy, happy and positive work culture amongst our teams. Through CSR we are committed to becoming a truly sustainable company not only in our business world, but also for the communities and countries in which we work and live.

Corporate Governance

Corporate Governance regulates the relationship between the Group's management, its Board of Directors and the shareholders of the AqualisBraemar LOC ASA (the Company).

The Company believes that good corporate governance is an important component of sustainable business conduct and long-term value creation.

1. Implementation and reporting of Corporate Governance

In accordance with the Norwegian Code of Practice for Corporate Governance (NCPCG), the Board of Directors of the Company has prepared a Corporate Governance policy document. AqualisBraemar LOC ASA aspires to follow the NCPCG as closely as possible. Through its board and management, the Company conducts a review and evaluation of its principles for corporate governance on an annual basis.

The Company's compliance with the Code is detailed in this report and section numbers refer to the Code's articles. The Company's Corporate Governance guidelines are published in full at the Company's website. Adherence to the code is based on the "comply or explain" principle, which means that a company must comply with the recommendations of the code or explain why it has chosen an alternative approach to specific recommendations.

The Company is in compliance with the recommendations of the NCPCG.

2. Business

The Company is a Norwegian public company that offers adjusting, marine, offshore, and renewables consultancy services to the energy, shipping, and insurance industries.

The Group's strategy is to offer its specialist consultancy services through a growing network of global offices.

The scope of the Company's business is defined in its Articles of Association, published on the Company's website. The Company's objectives and strategies are presented in the Directors' report.

3. Equity and dividends

Equity

The Company's consolidated shareholders' equity at 31 December 2021 was USD 66.8 million, representing an equity ratio of 58%. The Board aims to maintain an equity ratio that remains satisfactory in light of the Company's goals, strategy and risk profile.

Shares and share capital

At the end of 2021 the Company had 96,922,583 ordinary shares outstanding with a par value of NOK 0.10 per share (see note 16 to the Financial Statements). The Company has one share class, and each share carries one vote. At 31 December 2021, the Company had 2,090 shareholders, and foreign registered shareholders held 16.16% of the shares of the Company.

Increases in share capital

The Board will only propose increases in the share capital when this is beneficial over the long term for the shareholders of the Company.

The Board has authorisation to increase the share capital in the Company as approved by the shareholders and publicly registered in the Norwegian Register of Business Enterprises (Brønnøysund), both a general authorization and an authorization to be utilized in connection with the employee incentive program. The Company has further issued warrants as also registered in the Norwegian Register of Business Enterprises (Brønnøysund). The Board has authorisation to purchase the Company's own shares, limited to 10% of the total shares outstanding.

Dividend policy

The Company's intention is to pay a semi-annual dividend in support of its objective to maximise capital efficiency. The majority of the Company's free cash flow is intended to be distributed, subject to maintaining a robust cash buffer to satisfy commitments and support working capital requirements, planned capital expenditure, growth opportunities and uncertain future market prospects.

In addition to paying a cash dividend, the Company may buy back its own shares as part of its plan to distribute capital to shareholders.

4. Equal treatment of shareholders and transactions with close associates

The Company has only one class of shares and there are no voting restrictions. Any potential purchase of own shares shall be carried out via a stock exchange at market prices.

Where the Board resolves to carry out an increase in share capital on the basis of an authority given to the Board, and waive the pre-emption rights of existing shareholders, the justification will be publicly disclosed in connection with the increase in share capital.

Transactions with related parties shall be at arm's length and at fair value which, in the absence of any other pertinent factors, shall be at market value. All material transactions with related parties shall be valued by an independent third party, unless assessed and resolved upon by the General Meeting. Transactions with related parties are described in note 21 to the AqualisBraemar LOC group consolidated financial statements.

5. Freely negotiable shares

There are no limitations on trading of shares and voting rights in the Company and each share gives the right to one vote at the Company's General Meeting.

6. General Meeting

Annual General Meeting

The General Meeting is the Company's supreme body and elects the members of the Board.

The call for the General Meeting

The Company observes the minimum notice period set out in the Norwegian Public Limited Companies Act, i.e. providing 21 days' notice. The call for the General Meeting is issued in writing via mail, or electronically through VPS, to

all shareholders with registered addresses. Transmitted with the summons are documents, which have sufficient detail for the shareholders to take a position on all the cases to be considered. However, documents relating to matters which shall be considered at a general meeting need not be sent to the shareholders if the documents have been made available to the shareholders on the Company's website. The summons also addresses the shareholder's right to propose resolutions to the matters to be resolved upon at the General Meeting, and gives information regarding the required steps necessary to exercise the shareholder's rights. The summons and the said documents are made available on the Company's website at least 21 days prior to the relevant General Meeting.

Voting at the General Meeting

Any shareholder is entitled to vote at the General Meeting, and to cast a vote, a shareholder must attend or give a proxy to someone who is attending. The proxy form will be distributed with the summons to the General Meeting. A proxy will only be accepted if submitted by mail, fax, or e-mail (provided the proxy is a scanned document with signature), or registered directly through VPS. For shareholders who cannot attend the General Meeting, the Board will nominate the Chair and/or the CEO to vote on behalf of shareholders as their proxy. To the extent possible, the Company uses a form for the appointment of a proxy, which allows separate voting instructions to be given for each matter to be considered by the meeting and for each of the candidates nominated for election.

The attendance at the General Meeting

The Board and the management of the Company seek to facilitate the largest possible attendance at the General Meeting. The Chair of the Board and the Company's Auditor will always attend the General Meeting. Other members of the Board and the Election Committee will also attend whenever practical.

Chair of the meeting and minutes

The Chair of the Board, or another person nominated by the Board, will declare the General Meeting open. Considering the Company's organisation and shareholder structure the Company considers it unnecessary to appoint an independent Chair for the General Meeting, and this task will for practical purposes normally be performed by the Chair of the Board.

7. Election Committee

The Election Committee is elected by the General Meeting, including its Chair. The members of the Election Committee should be selected to ensure there is a broad representation of shareholders' interests.

The Election Committee's task is to propose candidates for election to the Board of Directors and to suggest remuneration for the Board. The recommendations shall be justified. The Election Committee currently consists of two members, who shall be shareholders or representatives of the shareholders, and no more than one member of the Election Committee shall be a member of the Board. Further information on the duties of the Election Committee can be found in the Instructions to the Election Committee, which has been approved by the General Meeting and made available on the Company's website.

The Company is not aware of the existence of any agreements or business partnerships between the Company and any third parties in which members of its Election Committee have direct or indirect interests. The Election Committee's composition is designed to maintain its independence from the Company's administration.

The Election Committee currently consists of the following members:

- **Bjørn Stray, Chair (up for election in 2022)**
- **Lars Løken (up for election in 2022)**

Further information on the membership is available on the Company's webpage.

8. The Board of Directors – composition and independence

The Chair and the other members of the Board are elected for a period of two years at a time and currently comprises four members. All members of the Board may be re-elected for periods of up to two years at a time.

The Chair of the Board, Glen Rødland, owns approx. 15.4% of shares in the Company, through Gross Management AS which is owned 50% and controlled 100% by Mr Rødland.

In electing members to the Board, it is emphasised that the Board has the required competence to independently evaluate the cases presented by the Executive Management as well as the Company's operations. It is considered important that the Board functions well as a body of colleagues.

The female representation among Board members is 50%.

The current composition of the Board, including Board members' shareholding in the Company per 31 December 2021 is detailed below.

9. The work of the Board

The Board's work follows an annual plan and it conducts an annual self-evaluation of its performance and expertise, which is made available to the Election Committee. The annual plan is devised after each Annual General Meeting, and includes the number of meetings to be held and specific tasks to be handled at the meetings. Typical tasks that are handled by the Board during the year include an annual strategic review, review and approval of the following year's budget, evaluation of management and competence required, and continuous financial and risk reviews based on budget or prognosis. In addition to ad hoc email correspondence, the Board has held 10 meetings and calls during the period between 1 January 2021 and 31 December 2021.

Audit Committee

The Audit Committee's responsibilities follow from section 6-43 of the Norwegian Public Limited Liability Companies Act. The Committee performs a qualitative review of the quarterly and annual reports of the Company and participates in the quality assurance of guidelines, policies, and other governing instruments pertaining to the Company. The Audit Committee consists of Members of the Board and is elected by the Board. The Committee supports the Board in safeguarding that the Company has sound risk management and internal controls over financial reporting. The Audit Committee monitors compliance with the company's Code of Conduct as well as anti-corruption and third-party representative policies.

The Audit Committee currently consists of the following members:

- Synne Syrrist, Chair
- Glen Rødland

Remuneration Committee

The Remuneration Committee, appointed by the Board, makes proposals to the Board on the employment terms and conditions and total remuneration of the CEO, and other members of the Executive Management, as well as the details of the employee share scheme. These proposals are also relevant for other management entitled to variable salary payments. Currently, the Company's full Board constitutes the Remuneration Committee.

10. Risk management and internal control

The Board and the Executive Management shall at all times see to it that the Company has adequate systems and internal control routines to handle any risks relevant to the Company and its business, including that the Company's ethical guidelines, corporate values, and guidelines for corporate social responsibility are maintained and safeguarded.

The Board carries out an annual detailed review of the Company's most important areas of exposure to risk and its internal control systems. The risk areas, changes in risk levels, and how the risk is being managed, are on the agenda at each regular Board meeting.

The Company offers adjusting, marine, offshore, and renewables consultancy services to the energy, shipping, and insurance industries. These services are provided in compliance with relevant international and local laws and regulations governing this industry. The Company has adopted a Corporate Code of Conduct and a QHSE system governing daily business practices.

11. Remuneration of the Board of Directors

Remuneration of Board members shall be reasonable and based on the Board's responsibilities, work, time invested, and the complexity of the business. The remuneration needs to be sufficient to attract both Norwegian and foreign Board members with the right expertise and competence. The compensation shall be a fixed annual amount and shall be determined by the Annual General Meeting based on a proposal from the Election Committee.

For more information on the remuneration of the Board see note 21 to the Financial Statements.

12. Remuneration of the Executive Management

The Board decides the salary and other compensation of the CEO, pursuant to relevant laws and regulations, having references to the main principles for the compensation policy of the Company as well as market norms and performance of the individual.

For more information on the remuneration of the CEO and other members of Executive Management, see note 21 to the Financial Statements, as well as the guidelines and report related to remuneration to Executive Management attached to the notice to the AGM.

Name	Position in the Board	Member since (year)	Up for election (year)	Committee membership	Shareholding in AqualisBraemar LOC ASA*
Glen Rødland	Chair	2014	2022	Audit Remuneration	14,890,351 ¹
Yvonne L. Sandvold	Member	2013	2023	Remuneration	-
Synne Syrrist	Member	2013	2023	Audit Remuneration	-
Rune Eng	Member	2021	2023	Remuneration	198,407 ²

* At 31st of December 2021

¹The shares are held through Gross Management AS

²The shares are held through Eng Invest AS

13. Information and communication

The Company is strongly committed to maintaining an open dialogue with its shareholders, potential investors, analysts, investment banks and the financial markets in general. Our goal is for the share price to reflect the underlying value of the Company by providing all price-relevant information to the market on a timely basis.

The Board of Directors and the Executive Management of the Company assign considerable importance to giving the shareholders and the financial market in general timely, relevant and current information about the Company and its activities, while maintaining sound commercial judgement in respect of any information, which, if revealed to competitors, could adversely influence the value of the Company.

The CEO and CFO are responsible for the Company's investor relations activities and all communication with the capital markets, and all information is provided in accordance with the laws and regulations imposed by the Norwegian Securities Trading Act and the Oslo Stock Exchange

Regular information is published in the form of Annual Reports and interim reports and presentations. The Company distributes all information relevant to the share

price to the Oslo Stock Exchange in accordance with applicable regulations. Such information is distributed without delay and simultaneously to the capital market, the media and on the Company website.

The Company publishes all information concerning the General Meetings, quarterly reports and presentations and other presentations on the Company website, as soon as they are made publically available.

The Executive Management holds regular meetings with shareholders and other investors, and presents at domestic and international investor conferences.

14. Take-overs

The Board shall not without specific reasons attempt to hinder or exacerbate any attempt to submit a takeover bid for the Company's activities or shares, hereunder make use of any proxy for the issue of new shares in the Company. In situations of takeover or restructuring, it is the Board's particular responsibility to ascertain that all shareholders' values and interests are protected. If a takeover offer is made, the Board will issue a statement making a recommendation as to whether shareholders should or should not accept the offer. The Board will arrange a valuation from an independent expert that shall be made public no later than the disclosure of the Board's recommendation.

15. Auditor

PricewaterhouseCoopers AS was appointed as the Company's Auditor on 15 May 2017. The Auditor each year presents a plan for the implementation of the audit work, and following the annual statutory audit presents a review of the Company's internal control procedures, including identified weaknesses and proposals for improvement.

The Auditor participates in the Board meeting that approves the annual financial statements, and otherwise when required. The Auditor meets with the Board, without the Company's Executive Management being present, at least once a year.

Remuneration to the Auditor is disclosed in note 6 to the Financial Statements.

The full Corporate Governance Policy is published on the Company's home page: www.abl-group.com



Board of Directors' Report

Background

Aqualis Offshore Holding ASA was incorporated and listed on Oslo Stock Exchange in 2014, and subsequently changed its name to Aqualis ASA (ticker "AQUA"). Aqualis ASA completed the acquisition of three business lines (collectively "Braemar Technical Services" or "BTS") from Braemar Shipping Services Ltd in 2019 and subsequently changed the name to AqualisBraemar ASA. AqualisBraemar ASA completed the acquisition of LOC Group on 21 December 2020 and subsequently changed the name to AqualisBraemar LOC ASA.

AqualisBraemar LOC ASA and its subsidiaries are herein together referred to as "AqualisBraemar LOC", "AqualisBraemar LOC Group", "ABL", "ABL Group", "Company" or the "Group".

Key figures and events in 2021

- Revenues of USD 150.7 million in 2021 vs USD 77.0 million in 2020
- Operating profit (EBIT) of USD 7.4 million in 2021 vs USD 2.9 million in 2020
- Adjusted EBIT¹ of USD 9.6 million in 2021 vs USD 4.8 million in 2020
- Profit after taxes of USD 3.2 million in 2021 vs USD 1.5 million in 2020
- Adjusted profit after taxes¹ of USD 5.4 million in 2021 vs USD 3.3 million in 2020
- Total dividend of NOK 0.5 per share paid during 2021, corresponding to USD 5.5 million
- Completed integration of LOC Group and multiple strategic add-on acquisitions: East Point Geo, OSD-IMT and the remaining 29% stake in Innosea
- Solid financial position with cash balance of USD 19.8 million at 31 December 2021
- 954 full-time equivalent employees² at 31 December 2021

¹ Alternative Performance Measures

² Including subcontractors

Strategy And Objectives

ABL Group focuses on the provision of high end consultancy to the global energy, shipping and insurance industries. The services can be categorised across three market sectors:

- **Renewables** – Independent engineering and consultancy services to offshore wind industry
- **Oil & Gas** – Engineering and consultancy services to the offshore oil and gas industry
- **Maritime** – Worldwide emergency incident response and surveys to marine insurance industry

The Group's strategy is to offer its specialist marine and engineering consultancy services through a network of global offices. The Group has established a presence in most major marine and offshore energy centres. This global presence allows the business to provide local expertise and swift response times to client demands.

Following on from 2019's acquisition of Braemar Technical Services, the acquisition of LOC in December 2020 roughly doubled the size of the company in terms of employees and revenues for the second time in two years. Through 2021, a key focus of the organisation has been to integrate these businesses. These transactions were part of the Company's long-term plan to consolidate the offshore energy and marine consulting space. The combined group of the former Aqualis, BTS and LOC can provide a significantly broader and deeper suite of services to our clients across an increased geographical footprint.

Importantly, the LOC acquisition also increased the Group's renewables footprint and reaffirmed our commitment to the energy transition. The Group's strategic target is for 50% of revenues to come from renewables and sustainability-oriented services in 2025. This share has increased from approximately 6% in 2017 to 27% in 2021, and we are committed to continuing that trajectory.

To ensure flexibility to adapt more quickly to market changes, ABL Group uses a significant number of subcontractors, particularly in the Oil & Gas and Renewables markets. The Group aims to further increase the subcontractor share going forward.

ABL Group will continue to be active in the consolidation/restructuring of our industry. The acquisitions of BTS and LOC were significant steps, but our industry is still fragmented and highly competitive. ABL Group remains focused on value creation for all our stakeholders;

customers, employees, and shareholders, not on increasing the size of the company as such. All M&A and other investments need to be value accretive.

Organisation

The business is operated primarily through a regional structure, giving shorter reporting lines, improved local presence towards clients, and improved utilisation through flexible use of technical staff across business streams. OWC (comprising the activities of OWC, Innosea and East Point Geo entities) and Longitude are managed and reported as separate segments, as projects are more global in nature. Our six reporting segments during 2021 were: Europe, Middle East, Asia Pacific, Americas, OWC and Longitude.

The business is secondarily organised across three market sectors, Renewables, Maritime and Oil & Gas – each with separate global managing directors ensuring consistency of delivery and access to global competency.

During 2021, the Group opened offices in Cork, Marseille, Melbourne and Genoa. The Group will continue to grow its global office network in strategically placed locations to serve growth markets.

Financial Review

Financial statements

The consolidated financial statements of ABL Group are prepared in accordance with International Financial Reporting Standards as adapted by the European Union. A financial review of the Group for 2021 is provided below.

Profit and loss

Total operating revenues increased by 96% to USD 150.7 million compared to USD 77.0 million in 2020. The increase is mainly attributable to the full year effect of the acquisition of LOC. Completion of the LOC Group acquisition took place on 21 December 2020 and was consolidated from the date of acquisition.

Staff costs and other operating expenses increased by 92% to USD 139.6 million compared to USD 72.6 million in 2020. The increase is in line with the increase in revenue.

EBIT amounted to a profit of USD 7.4 million compared to USD 2.9 million in 2020. Adjusted EBIT was USD 9.6 million in 2021 vs USD 4.8 million in 2020.

Revenue in all segments increased substantially in 2021, due to the full year effect of the consolidation of LOC, as well as strong organic growth in our renewables sector.

Profit after taxes amounted to USD 3.2 million in 2021 compared to USD 1.5 million in 2020. Adjusted profit after taxes was USD 5.4 million in 2021 vs USD 3.3 million in 2020.

Cash flow, liquidity and financial position

Net cash outflow from operating activities was USD 0.2 million in 2021. This was mainly due to an increase in working capital and effects related to net exchange differences. Net cash outflow for investing activities was USD 1.0 million in 2021 and was primarily related to the acquisition of LOC. Net cash outflow from financing activities was USD 9.2 million in 2021, primarily caused by payment of dividends and amortisation of the bank debt raised in connection with the LOC acquisition. A total dividend of USD 5.5 million representing NOK 0.50 per share was paid to the shareholders in 2021. At 31 December 2021, cash balance amounted to USD 19.8 million compared with USD 30.6 million at 31 December 2020.

At 31 December 2021, total assets amounted to USD 115.1 million compared with USD 119.0 million as of 31 December 2020. The shareholders' equity was USD 66.8 million at 31 December 2021, corresponding to an equity ratio of 58%. The shareholders' equity was USD 64.6 million at 31 December 2020, corresponding to an equity ratio of 54%. ABL Group had USD 11.6 million of interest bearing bank debt as of 31 December 2021.

The Board of Directors proposes a dividend equal to 0.3 NOK per share to be paid during the first half of 2022, and for dividends to remain on a semi-annual schedule.

AqualisBraemar LOC ASA

AqualisBraemar LOC ASA prepares its financial statements in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway. AqualisBraemar LOC ASA is the ultimate holding company for the Group's operations.

AqualisBraemar LOC ASA reported profit after taxes in 2021 of NOK 25.7 million compared with loss after taxes of NOK 0.1 million in 2020. Total assets as of 31 December 2021 were NOK 594.7 million compared with NOK 621.6 million in 2020. The company's cash balance at 31 December 2021 was NOK 5.9 million vs NOK 31.2 million at 31 December 2020. Net cash flow from operating activities was NOK 3.2 million in 2021. Net cash flow used in investing activities was NOK 26.6 million in 2021 and primarily related to loans given to group companies. Net cash

outflow from financing activities was NOK 55.2 million mainly driven by repayment of bank debt and payment of dividend. For tax purposes, the distribution of dividend was considered repayment of paid in capital.

AqualisBraemar LOC ASA is exposed to credit risk related to loans to subsidiaries. The loans to subsidiaries do not have a specific due date.

The total shareholder's equity at 31 December 2021 was NOK 480.9 million with a corresponding equity ratio of 80.9%. The Board proposes that the profit after tax of NOK 25.7 million is allocated to retained earnings.

AqualisBraemar LOC ASA has its headquarter in Oslo, Norway with five permanent employees at the end of 2021.

Going Concern

Based on ABL Group's cash position at 31 December 2021, and the estimated net cash flow for 2022, AqualisBraemar LOC has the necessary funds to meet its obligations for the next 12 months.

In accordance with the Norwegian accounting act § 3-3a, the Board of Directors confirms that the Financial Statements have been prepared under the assumption of going concern and that this assumption is valid

Risk Factors

Risk exposure and Risk management

ABL Group's regular business activities routinely encounter and address various types of risks some of which may cause our future results to be different than we presently anticipate. A disciplined approach to risk is important and the Group proactively manages such risks.

ABL Group's Board is committed to effective risk management in pursuit of the Group's strategic objectives with the aim of growing shareholder value. Further, the Board realises that proactive risk management is both an essential element of good corporate governance and an enabler in realising opportunities.

The Executive Management is responsible for the governance of risk with support from members of the management team. They review and monitors the effectiveness of the risk management processes within the Group in accordance with corporate risk governance requirements.

Risk registers are tabled at Company and Board meetings under the categories of economic, financial, political, operational, strategic, legal and human resources risks. Action plans are monitored and discussed to reduce the risks to acceptable levels.

Operational risk

Operational Risk typically involves the risk of loss resulting from inadequate internal processes, people and systems or from external events, including political and legal risks. The Executive Management regularly analyses its operations and potential risk factors with a focus on the most significant risks facing the Group and takes appropriate measures to reduce risk exposure.

ABL Group places a strong emphasis on Quality, Health & Safety Assurance and has management systems implemented, in line with the requirements for its business operations

Credit risk

Credit risk is primarily related to trade receivables. In trade receivables, credit risk include geographic, industry and customer concentration and risks related to collection. ABL Group is tightly managing its receivables as the oil & gas industry is still facing challenging market conditions. Market and customer specific developments affect credit risk.

Interest rate risk

With gross interest bearing bank debt of USD 11.6 million at 31 December 2021, the Group is exposed to interest rate risk. The interest on the Group's bank debt is based on floating interest rates with a fixed margin on top.

Liquidity risk

The Group's policy is to maintain satisfactory liquidity at the corporate level. The Group has a solid cash position which exceeds the interest-bearing debt at year-end. The Group had cash and cash equivalents of USD 19.8 million, and 11.6 million of interest bearing bank debt, at 31 December 2021. Based on the year-end cash balance, available liquidity resources and the current structure and terms of the Group's liabilities, it is the Board's opinion that the Group has adequate funding and liquidity to support its operations and investment program.

Foreign currency risk

ABL Group operates internationally and is exposed to currency risk primarily to fluctuations in USD, NOK, SGD, GBP and AED, arising from commercial transactions and assets and liabilities in currencies other than the entity's functional currency, ABL Group's net investments in foreign subsidiaries and its foreign currency denominated cash deposits. During the year 2021, the Group had a net foreign exchange loss of USD 0.6 million.

Further details on financial risk can be found in note [23] to the consolidated financial statements.

Corporate Governance

The statement of Corporate Governance is included as a separate document in the Annual Report. Corporate Governance is important to ensure that our business is operated in a way that protects the long-term interest of all stakeholders. The Board of Directors has approved and implemented

corporate governance principles endorsing and complying with the Norwegian Accounting Act (§ 3-3b) and the Norwegian Code of Practice for Corporate Governance (Code of Practice) issued by the Norwegian Corporate Governance Board. ABL Group's compliance with the Code of Practice is described in detail in the report on Corporate Governance which is included in the Annual Report on page [31].

Social and Environmental Responsibility

In Q1 2020 we initiated a comprehensive process to establish best practice Environmental, Social and Governance ("ESG") reporting and to instil sustainability into the culture and forward strategy of the Group. We have called this project ABL2030, recognising that though the journey may be long, we must build the foundations this decade. This report also outlines how ABL Group assesses and mitigates climate risk to its business, markets and its impacts on the wider world. For an update on our social and environmental responsibility please see our Sustainability Report on page [25].

Insurance covering Board of Directors and Executive Management team

AqualisBraemar LOC ASA holds a Directors and Officers Liability Insurance (D&O) covering the Board Members', CEO's and the executive management's potential liabilities towards the company and third parties.

Markets and Outlook

Outlooks are inherently uncertain and are subject to inter alia changes in market conditions and operational performance.

ABL Group's financial performance in 2022 will be driven by a combination of four key factors;

First, after acquiring BTS in 2019 and LOC in 2020, the size of the company has quadrupled in from a revenue of USD 36m in 2018 to USD 150m in 2021. All three companies had offices in the major shipping and O&G hubs worldwide. We are gradually taking out the synergies from these acquisitions.

During 2021 ABL has consolidated offices in 18 locations worldwide and implemented one ERP system across the group. The estimated cost synergies derived from the LOC combination are still expected to amount to USD 4.0 million, up from an initial estimate of USD 3.5 million. Approximately USD 1.9 million of this has been realised to date on a run rate basis, and we expect the remainder to be realized through 2022. The full year effects of the synergies realised to date, and the gradual phasing in of the remaining synergies, should contribute to margin improvement in the coming year.

Second, we plan to continue to improve and professionalize our support functions including HR, recruitment, graduate program, leadership education, IT (data management/automation of processes) and finance function both centrally and regionally. This is expected to improve capital efficiency (working capital reduction and cash management) and improve performance of our business.

Third, the market situation is expected to contribute to topline growth in 2022. The war in Ukraine has placed energy security high on the political agenda, which we believe will result in increased investments and activity across a numbers of energy sources including oil and gas and renewables. During 2021 most of the strong growth in our renewable business was offset by an oil and gas market that remained cautious and focused on short cycle barrels, plus travel restrictions and general slowdown in connection with the Covid-19 pandemic. With the current geopolitical situation, oil price sitting above USD 100/bbl and oil companies signaling a return to capex growth, we expect 2022 and 2023 to represent marked improvements in the oil and gas markets. Rig activity, particularly in the jack-up segment, is expected to continue the gradual recovery witnessed in 2021, and we expect a step change in offshore E&P capex over the next two years.

Finally, as our work in the Renewables sector grows its relative size of our revenue (27% of pro-forma combined revenue in the last 12 months) the continued strong growth in this segment will be more important for our overall development. Our stated ambition is for renewables and sustainability oriented services to represent 50% of our business mix by 2025.

During 2021 we saw continued progress towards opening new global markets to offshore wind, and with an increasing number of developers, new investors and new geographies, the consultancy market is expected to grow significantly in the short and long term. While we continue to invest in organic renewables growth, we also see some signs of weakening profitability in parts of the renewables industry, driving us to sharpen our focus on profitability and capital efficiency within the sector.

Activity levels in the marine casualty and energy adjusting markets are expected to be slowly improving as Covid-19 impacts lessen and supply side bottlenecks subside. Short term development remains largely event driven and difficult to forecast.

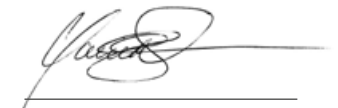
ABL Group's current strategy remains unchanged being focused on widening and strengthening its global client portfolio and enhancing client loyalty to take increased market share. The company aims to increase the subcontractor share to have flexibility to adapt more quickly to market changes.

ABL Group will continue to be active in the consolidation/restructuring of our industry. The combination of Aqualis, BTS and LOC are significant steps, but our industry is still fragmented and highly competitive. ABL Group remains focused on value creation for all our stakeholders; customers, employees and shareholder, and not on increasing the size of the company as such. All M&A and other investments need to be value accretive.

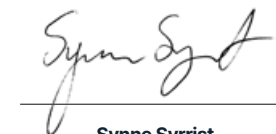
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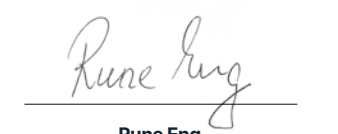
Glen Rødland
Chair of the Board



Yvonne L. Sandvold
Board member



Synne Syrrist
Board member



Rune Eng
Board member



Reuben Segal
CEO

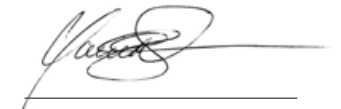
Responsibility Statement

We confirm that, to the best of our knowledge, the 2021 consolidated financial statements have been prepared in accordance with IFRS as adopted by EU, gives a true and fair view of the Company's assets, liabilities, financial position and results of operations, and that the management report includes a fair review of the information required under the Norwegian Securities Trading Act section 5-5.

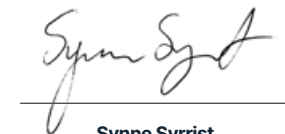
Oslo, 29 April 2022



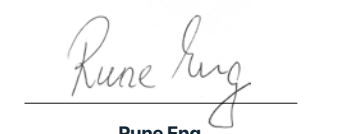
Glen Rødland
Chair of the Board



Yvonne L. Sandvold
Board member



Synne Syrrist
Board member



Rune Eng
Board member



Reuben Segal
CEO

Consolidated Financial Statements

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Consolidated statement of income

Amounts in USD thousands	Notes	2021	2020
Revenue	4	150,748	77,015
Total revenue		150,748	77,015
Staff costs	5	(81,978)	(41,495)
Other operating expenses	6	(57,605)	(31,096)
Depreciation, amortisation and impairment	11, 12	(3,790)	(1,477)
Operating profit (loss) (EBIT)		7,375	2,946
Gain on bargain purchase	7	54	-
Finance income	8	112	399
Finance expenses	8	(765)	(271)
Net foreign exchange gain (loss)	8	(592)	(568)
Profit (loss) before income tax		6,184	2,507
Income tax expenses	9	(2,965)	(993)
Profit (loss) after tax		3,218	1,513

Consolidated statement of other comprehensive income

Amounts in USD thousands	Notes	2021	2020
Profit (loss) after tax		3,218	1,513
Other comprehensive income			
Items that may be reclassified to profit or loss			
Currency translation differences		(475)	1,626
Income tax effect	9	(343)	30
Other comprehensive income for the period, net of tax		(818)	1,657
Total comprehensive income for the period		2,400	3,170
Total comprehensive income for the period is attributable to:			
Equity holders of the parent company		2,325	3,170
Non-controlling interests		75	-
		2,400	3,170
Earnings per share (USD): basic	10	0.034	0.021
Earnings per share (USD): diluted	10	0.028	0.018

Consolidated balance sheet

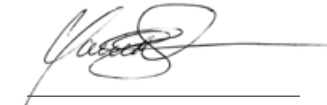
Amounts in USD thousands	Notes	31 December 2021	31 December 2020
ASSETS			
Non-current assets			
Property, plant and equipment	11	1,137	1,213
Right-of-use assets	12	3,629	4,707
Goodwill and intangible assets	13	27,465	26,665
Deferred tax assets	9	1,708	1,395
Total non-current assets		33,939	33,980
Current assets			
Trade and other receivables	14	43,235	41,498
Contract assets	4	18,101	12,916
Cash and cash equivalents	15	19,815	30,642
Total current assets		81,151	85,056
Total assets		115,090	119,036
EQUITY AND LIABILITIES			
Equity			
Share capital	16	1,323	1,276
Treasury shares	16	(0)	(41)
Share premium	16	64,913	67,080
Consideration shares	7	1,890	1,459
Share-based compensation reserve	16	2,373	897
Retained earnings		8,557	5,413
Foreign currency translation reserve		(12,306)	(11,487)
Total		66,751	64,597
Non-controlling interests		114	721
Total equity		66,865	65,319
Non-current liabilities			
Deferred tax liabilities	9	1,259	682
Long term borrowings	17	3,328	6,414
Lease liabilities	12	2,481	2,340
Provisions	18	2,714	3,214
Other payables		2,947	1,933
Total non-current liabilities		12,729	14,584

Amounts in USD thousands	Notes	31 December 2021	31 December 2020
Current liabilities			
Trade and other payables	19	24,467	25,207
Contract liabilities	4	949	757
Short term borrowings	17	8,333	8,669
Lease liabilities	12	1,349	2,552
Income tax payable	9	398	907
Provisions	18	-	1,042
Total current liabilities		35,496	39,134
Total liabilities		48,225	53,718
Total equity and liabilities		115,090	119,036

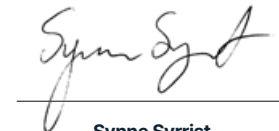
Oslo, 29 April 2022



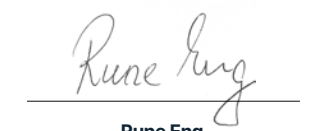
Glen Rødland
Chair of the Board



Yvonne L. Sandvold
Board member



Synne Syrrist
Board member



Rune Eng
Board member



Reuben Segal
CEO

Consolidated statement of changes in equity

Amounts in USD thousands	Notes	Share capital	Treasury shares	Share premium	Consideration shares	Share-based compensation reserve	Retained earnings	Foreign currency translation reserve	Total	Non- controlling interests	Total equity
At 1 January 2020		1,018	(41)	55,051	-	580	3,900	(13,144)	47,364	-	47,364
Comprehensive income		-	-	-	-	-	1,513	1,657	3,170	-	3,170
Cash-settled capital increase (net of transaction costs)		258	-	15,058	-	-	-	-	15,317	-	15,317
Shares to be issued as part of the consideration on a acquisition of subsidiary	16	-	-	-	1,459	-	-	-	1,459	-	1,459
Dividends paid		-	-	(3,030)	-	-	-	-	(3,030)	-	(3,030)
Share-based payment expenses	16	-	-	-	-	317	-	-	317	-	317
Non-controlling interests on acquisition of subsidiary		-	-	-	-	-	-	-	-	721	721
At 31 December 2020		1,276	(41)	67,080	1,459	897	5,413	(11,487)	64,598	721	65,319
At 1 January 2021		1,276	(41)	67,080	1,459	897	5,413	(11,487)	64,598	721	65,319
Comprehensive income		-	-	-	-	-	3,144	(818)	2,325	75	2,400
Cash-settled capital increase (net of transaction costs)	16	41	-	2,260	-	-	-	-	2,301	-	2,301
Shares to be issued as part of the consideration on a acquisition of subsidiary	7	-	-	-	431	-	-	-	431	-	431
Shares issued as consideration for business combination		6	-	1,048	-	-	-	-	1,054	-	1,054
Non-controlling interests on acquisition of subsidiary		-	-	-	-	-	-	-	-	(609)	(609)
Dividends paid	16	-	-	(5,476)	-	-	-	-	(5,476)	(73)	(5,548)
Share-based payment expenses	16	-	-	-	-	1,475	-	-	1,475	-	1,475
Employee share program issue	7	-	41	-	-	-	-	-	41	-	41
At 31 December 2021		1,323	-	64,912	1,890	2,372	8,557	(12,306)	66,751	114	66,865

Consolidated statement of cash flows

Amounts in USD thousands	Notes	2021	2020
Cash flow from operating activities			
Profit (loss) before taxes		6,184	2,507
Non-cash adjustment to reconcile profit before tax to cash flow:			
Non-cash employee benefits expense - share-based payments	16	1,475	317
Depreciation, amortisation and impairment	11,12	3,790	1,477
Increase (Decrease) in fair value of consideration warrants	8	-	(130)
Gain on bargain purchase		(54)	-
Changes in working capital:			
Changes in trade and other receivables		(6,923)	2,201
Changes in trade and other payables		(252)	2,499
Interest costs- net		488	(18)
Income taxes paid		(3,194)	(1,190)
Net exchange differences		(1,700)	811
Cash flow from (used in) operating activities		(187)	8,474
Cash flow from investing activities			
Payments for property, plant and equipment		(534)	(150)
Interest received		54	18
Net cash acquired (paid) on acquisition of subsidiaries		(554)	(14,619)
Cash flow from (used in) investing activities		(1,035)	(14,751)
Cash flow from financing activities			
Dividends paid to company's shareholders	16	(5,476)	(3,030)
Principal elements of lease payments		(2,601)	(1,096)
Proceeds from loans and borrowings		-	14,621
Repayment of borrowings		(3,422)	-
Proceeds from issuance of shares capital	16	2,301	15,317
Payments for shares bought back		-	-
Cash flow from (used in) financing activities		(9,198)	25,811
Net change in cash and cash equivalents		(10,419)	19,534
Cash and cash equivalents at the beginning of the period		30,642	10,930
Effect of movements in exchange rates		(407)	177
Cash and cash equivalents at the end of the period		19,815	30,642

Notes to the Consolidated Financial Statements

Note 1. Corporate information

AqualisBraemar LOC ASA ("the Company") is a limited liability company incorporated on 13 June 2014 and domiciled in Norway with its registered office at Fridtjof Nansens plass 8, 0160 Oslo. The Company is listed on Oslo Stock Exchange.

The principal activity of the Company and its subsidiaries (collectively the "AqualisBraemar LOC Group" or the "Group") is to offer adjusting, marine, offshore and renewables consultancy services to the energy, shipping and insurance industries globally. The group employs specialist engineers, naval architects, master mariners, loss adjusters and technical consultants in 51 offices located across 5 continents in 33 countries.

For all periods up to and including the year ended 31 December 2021, the consolidated financial statements of the Group are a continuation of the group values transferred from Weifa ASA in the spin-off of the marine and offshore business wherein all the shares in subsidiaries were transferred to Aqualis ASA on 24 July 2014. The ownership of the subsidiaries and the related excess values from the acquisitions are consequently continued in the consolidated financial statements of the Group.

Note 2. Summary of significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements to the extent they have not already been disclosed in the other notes above. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the Group consisting of AqualisBraemar LOC ASA and its subsidiaries.

2.1 Basis of preparation

(i) Compliance with IFRS

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) as approved by the European Union, interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS and the additional requirements of the Norwegian Accounting Act as of 31 December 2021. The financial statements comply with IFRS as issued by the International Accounting Standards Board (IASB).

These consolidated financial statements are presented in US Dollars (USD). All amounts disclosed in the financial statements and notes have been rounded off to the nearest thousand currency units unless otherwise stated.

(ii) Historical cost convention

The consolidated financial statements have been prepared on a historical cost basis except as disclosed in the accounting policies below.

(iii) New and amended standards adopted by the Group

The following amended standards applied by the Group for the reporting period commencing 1 January 2021 are not expected to have a material impact on the Groups consolidated financial statements:

- Interest Rate Benchmark Reform- amendments to IFRS 9 and IFRS 7- Phase 2

(iv) New standards and interpretations not yet adopted by the group

Certain new accounting standards, amendments and interpretations have been published that are not mandatory for 31 December 2021 reporting periods and have not been early adopted by the group. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

- Amendments to IFRS 16 Leases- COVID-19 related rent concessions
- Amendments to IFRS 3 Business Combinations
- IAS 1- Presentation of financial statements on classification of liabilities

2.2 Principles of consolidation

(i) Subsidiaries

Subsidiaries are all entities over which the group has control. The group controls an entity where the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

Inter-company transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, statement of comprehensive income, statement of changes in equity and balance sheet respectively.

(ii) Changes in ownership interests

The group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognized in a separate reserve within equity attributable to owners of AqualisBraemar LOC ASA.

When the group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognized in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognized in other comprehensive income are reclassified to profit or loss where appropriate.

2.3 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Group's operating segments are established on the basis of those components that are evaluated regularly by the Board of Directors, considered to be the Group's Chief Operating Decision Maker. The Chief Operating Decision Maker monitors the operating results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on revenues, gross profit and a broad range of key performance indicators in addition to segment profitability.

2.4 Foreign currency translation

(i) Functional and presentation currency

Items included in the consolidated financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in US Dollars (USD). The functional currency of the parent company is Norwegian Krone (NOK). The parent company financial statements are presented in NOK.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates, are generally recognized in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Foreign exchange gains and losses are presented in the consolidated statement of income on a net basis.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognized in profit or loss as part of the fair value gain or loss, and translation differences on non-monetary assets such as equities classified as at fair value through other comprehensive income are recognized in other comprehensive income.

(iii) Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet
- income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- all resulting exchange differences are recognized in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings are recognized in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate at the reporting date.

2.5 Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred
- liabilities incurred to the former owners of the acquired business
- equity interests issued by the group
- fair value of any asset or liability resulting from a contingent consideration arrangement, and
- fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The group recognizes any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the:

- consideration transferred,
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognized directly in profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability is subsequently remeasured to fair value, with changes in fair value recognized in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquire is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognized in profit or loss.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognized, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized as of that date.

The measurement period ends as soon as the Group receives the necessary information about the facts and circumstances that existed as of the acquisition date or learns that the information is not obtainable. However, the measurement period cannot exceed one year from the acquisition date.

2.6 Revenue recognition

(i) Rendering of services

The Group offers adjusting, marine, offshore and renewables consultancy services to the energy, shipping and insurance industries under variable and fixed-price contracts. Revenue from providing services is recognized in the accounting period in which the services are rendered.

Revenue from such services are recognized as a performance obligation satisfied over time when services are performed and delivered and measured based on the consideration specified in a contract with customers. Payment for services is not due from the customers until the services are complete and therefore contract asset is recognized over the period in which the services are performed representing the Group's right to consideration for the services performed to date. If the payments exceed the services rendered, a contract liability is recognized.

Revenue from contracts priced on a variable basis is recognized at the contractual rates as labor hours and direct expenses are incurred.

For fixed-price contracts, revenue is recognized based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided, because the customer receives and uses the benefits simultaneously. This is determined based on the actual labor hours spent relative to the total estimated labor hours.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

(ii) Interest income

Interest income is recognized using the effective interest rate method.

2.7 Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income, based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated based on the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, based on amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax liabilities and assets are not recognized for temporary differences between the carrying amount and tax bases of investments in foreign operations where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

(i) Investment allowances and similar tax incentives

Companies within the group may be entitled to claim special tax deductions for investments in qualifying assets or in relation to qualifying expenditure (e.g. the Research and Development Tax Incentive regime or other investment allowances). The group accounts for such allowances as tax credits, which means that the allowance reduces income tax payable and current tax expense. A deferred tax asset is recognized for unclaimed tax credits that are carried forward as deferred tax assets.

2.8 Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the asset.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the consolidated income statement in the period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate the assets' cost to their residual values over their estimated useful lives as follows:

- Fixtures and office equipment: 2 – 5 years
- Vehicles: 5 years

The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

An item of property, plant and equipment is derecognized upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated income statement when the asset is derecognized.

2.9 Leases

The group leases various offices, equipment and vehicles. Rental contracts are typically made for fixed periods of 6 months to 5 years but may have extension options.

Contracts may contain both lease and non-lease components. The group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the group under residual value guarantees
- the exercise price of a purchase option if the group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group, which does not have recent third-party financing, and
- makes adjustments specific to the lease, e.g., term, country, currency and security.

The group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognized on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

2.10 Intangible assets

(i) Goodwill

Goodwill is measured as described in note 2.5. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortized but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes (note 13).

(ii) Customer relations

The customer contracts were acquired as part of a business combination. They are recognized at their fair value at the date of acquisition and are subsequently amortized on a straight-line based on the timing of projected cash flows of the contracts over their estimated useful lives of 10 years.

2.11 Impairment of assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

2.12 Financial assets

The Group classifies its financial assets at amortized cost or fair value on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

2.13 Trade receivables

Trade receivables are amounts receivable from customers for billing in the ordinary course of business. Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment losses. The Group measures the loss allowance for trade receivables based on the expected credit loss model using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors and general economic conditions of the industry in which the debtors operate. The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g., when the debtor has been placed under liquidation or has entered bankruptcy proceedings. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate.

The carrying amount of the asset is reduced using an allowance account and the amount of the loss is recognized in the consolidated income statement within other operating expenses. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against other operating expenses in the consolidated income statement.

2.14 Cash and cash equivalents

For the purpose of consolidated statement of cash flows, cash and cash equivalents comprise cash at banks and on hand and short-term deposits with original maturity of three months or less, which are subject to an insignificant risk of changes in value.

2.15 Balance sheet classification

The Group presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle.
- Held primarily for the purpose of trading.
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle.
- It is held primarily for the purpose of trading.
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

2.16 Trade and other payables

These amounts represent liabilities for goods and services provided to the group prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

2.17 Provisions

Provisions for legal claims, service warranties and make good obligations are recognized when the group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Where there are several similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

2.18 Employee benefits

(i) Pension obligations

The Group currently has defined contribution plans only. For defined contribution plans, the group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The group has no further payment obligations once the contributions have been paid. The contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

(ii) Other employees' benefit obligations

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. These liabilities are presented as a current liability and included in trade and other payables.

In some countries, the group also has liabilities for end of service benefits that are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. These obligations are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period, using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period of high-quality corporate bonds with terms and currencies that match, as closely as possible, the estimated future cash outflows. Remeasurements as a result of experience adjustments and

changes in actuarial assumptions are recognized in profit or loss. The provision relating to end of service benefits is disclosed as a non-current liability.

(iii) Bonus plans

The group recognizes a liability and an expense for bonuses based on a formula that takes into consideration the profit attributable to the company's shareholders after certain adjustments. The group recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

(iv) Share-based payments

Share-based compensation benefits are provided to employees via the employee option plan. Information relating to these schemes is set out in note 16.

Employee options

The fair value of options granted under the employee option plan is recognized as an employee benefits expense, with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (e.g., the entity's share price)
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- including the impact of any non-vesting conditions (e.g., the requirement for employees to save or hold shares for a specific period).

The total expense is recognized over the vesting period, which is the period over which all the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognizes the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

2.19 Equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Where any group company purchases the company's equity instruments (treasury shares), for example as the result of a share buy-back or a share-based payment plan, the consideration paid, including any directly attributable incremental costs (net of income taxes), is deducted from equity attributable to the owners of the Company as treasury shares until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the owners of the Company.

2.20 Dividends

Provision is made for any dividend declared, being appropriately authorized and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

2.21 Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company, excluding any costs of servicing equity other than ordinary shares
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares

2.22 Events after the balance sheet date

New information on the Group's positions at the balance sheet date is considered in the annual financial statements. Events after the balance sheet date that do not affect the Group's position at the balance sheet date, but which will affect the Group's position in the future, are stated if significant.

2.23 Prior-year information

The presentation of certain prior year information has been reclassified to conform to the current year presentation.

Note 3. Significant accounting estimates and judgements

In applying the Group's accounting policies, which are described in note 2, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are relevant. Actual results may differ from these estimates.

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

3.1 Critical judgements in applying the Group's accounting policies

The following are the critical judgments, apart from those involving estimations (which are presented below separately), that management have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognized in the consolidated financial statements.

(i) Control over subsidiaries

Note 26 describes that certain subsidiaries in UAE, Qatar and Malaysia are subsidiary of the Group even though the Group has only 49% ownership interest. The remaining ownership interests are held by local sponsors in accordance with statutory regulations of those countries.

The directors of the Company assessed whether the Group has control over those subsidiaries based on whether the Group has the practical ability to direct the relevant activities of subsidiaries unilaterally. In making their judgement, the directors considered the Group's absolute size of holding in those subsidiaries and the relative size of and dispersion of the shareholdings owned by the other shareholders.

Through trust agreements with the respective local sponsors, the Group controls 100% of the financial and ownership rights of those entities. The Group has ownership over all the assets of both entities, with all dividends, proceeds of sale etc. belonging solely to the Group.

After assessment, the directors concluded that the Group has full power of the investee, is fully exposed to variable returns from its involvement with the investee and could use its power over the investee to affect the amount of the investor's returns, those entities have been fully consolidated in the consolidated financial statements of the Group, and the 51% owned by the local sponsors have not been treated as a non-controlling interest.

3.2 Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

(ii) Income taxes

The Group is subject to income tax in several jurisdictions and significant judgement is required in determining the provision for income taxes. During the ordinary course of business, there are transactions and calculations for which the ultimate tax determination is uncertain. As a result, the Group recognizes tax liabilities based on estimates of whether additional taxes and interest will be due. The company believes that its accruals for tax liabilities are adequate for all open audit years based on its assessment of many factors including experience and interpretations of tax law. This assessment relies on estimates and assumptions and may involve a series of complex judgments about future events. To the extent that the final tax outcome of these matters is different than the amounts recorded, such differences will impact income tax expense in the period in which such determination is made.

Deferred tax assets are recognized for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

(iii) Impairment of non-financial assets

An impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing the asset. The value in use for calculation is based on a discounted cash flow model. The cash flows are derived from the forecast for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the cash-generating unit being tested.

The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash inflows and the growth rate used for extrapolation purposes.

Further details of the key assumptions applied in the impairment assessment of goodwill are given in Note 13 to the consolidated financial statements.

(iv) Employee compensation plans

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 16 to the consolidated financial statements.

(v) Impairment of financial assets

The Group assesses at each reporting date whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment.

Evidence of impairment may include indications that the debtor or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments; the probability that they will enter bankruptcy or other financial reorganization, and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or general changes in the economic conditions that correlate with defaults.

The Group measures the loss allowance on amounts due from customer at an amount equal to lifetime expected credit losses (ECL). When measuring ECL, the group uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other. Further details of the key assumptions applied in the impairment assessment are given in Note 23 to the consolidated financial statements.

Note 4. Revenue from contracts with customers

The group derives revenue from contracts with customers for the consultancy services over time provided to the energy, shipping and insurance industries and includes reimbursement of expenses and related services. This is consistent with the revenue information that is disclosed for each reportable segment under IFRS 8 (note 25). It excludes dividends, interest income and intra-group transactions.

Amounts in USD thousands	2021	2020
Consultancy services	145,190	74,930
Reimbursement of expenses	5,290	1,828
Other	267	256
Total	150,748	77,015

Assets and liabilities related to contracts with customers

The Group has recognised the following assets and liabilities related to contracts with customers.

Amounts in USD thousands	31 December 2021	31 December 2020
Contract assets		
Contract assets related to contracts with customers	18,240	13,062
Loss allowance	(139)	(146)
Total	18,101	12,916
Contract liabilities		
Contract liabilities related to contracts with customers	949	757

The contract assets primarily relate to the Group's rights to consideration for work completed but not billed at the reporting date. The group also recognised a loss allowance for contract assets in accordance with IFRS 9, refer note 23 for further information. The contract assets are transferred to trade receivables when the rights become unconditional. This usually occurs when the Group issues an invoice to the customer.

The contract liabilities primarily relate to the advance consideration received from customers, for which revenue is recognised over time.

The vast majority of the Group's consulting service contracts are billed based on the time incurred. As permitted under IFRS 15, the transaction price allocated to unsatisfied contracts is not disclosed, for which the practical expedient applies.

Whilst the Group incurs costs that are necessary to facilitate a sale, those costs would have been incurred even if the customer decided not to execute the contract and therefore have not been capitalised.

Note 5. Staff costs

Amounts in USD thousands	2021	2020
Salaries and wages	60,996	34,831
Payroll and social security costs	7,210	2,856
Employee's end of service and pension benefits	2,117	887
Share-based payments	1,475	317
Other personnel costs	10,180	2,604
Total	81,978	41,495
Average number of employees	704	352

The Group currently has defined contribution plans only. The Group's obligations are limited to annual contributions. AqualisBraemar LOC meets the Norwegian requirements for mandatory occupational pension ("obligatorisk tjenestepensjon").

Note 6. Other operating expenses

Amounts in USD thousands	2021	2020
Subcontractors cost	35,372	19,090
Office lease and maintenance expenses	2,385	1,270
Insurance cost	2,688	1,018
Cost of recharged expenses	3,823	1,857
Transaction costs related to acquisition	76	1,393
General and administrative expenses	13,261	6,468
Total	57,605	31,096
Remuneration to auditors¹		
Audit	796	411
Other assurance services	61	7
Other services	-	164
Total	857	582

¹ All fees are exclusive of VAT

Note 7. Business combination

Acquisition of East Point Ltd ("EPG")

On 18 February 2021, the Company acquired 100% of the voting shares in East Point Geo Ltd ("EPG"), a company incorporated in United Kingdom. For AqualisBraemar LOC, the acquisition enhances our service offerings in the renewable market.

Details of the purchase consideration, the net assets acquired, and excess value allocation are as follows:

The following table summarizes fair value of purchase consideration:

Amounts in USD thousands	
Purchase Consideration	
Cash Consideration	669
Deferred cash consideration	232
Consideration Shares	431
Total purchase consideration	1,322

The purchase price consideration consists of a combination of cash consideration and consideration shares in the Company as follows:

- (i) At Closing GBP 477,031, cash
- (ii) The date falling 1 year after Closing GBP 82,500, cash
- (iii) The date falling 2 years after Closing GBP 82500, cash
- (iv) The date falling 3 years after Closing 221,361 Consideration Shares
- (v) The date falling 5 years after Closing 221,361 Consideration Shares
- (vi) The date falling 7 years after Closing 221,361 Consideration Shares

The Sellers shall acquire or subscribe for the Consideration shares at a cost of NOK 0.1 per share (nominal value). The Parties may also mutually agree on settlement of the Consideration Shares through a cash payment equal to the positive difference, if any, between the nominal value of the Consideration Shares and the VWAP on the date falling 3, 5 or 7 years (as relevant) after Closing. For the purpose of settlement of the Consideration Shares, "VWAP" shall mean the average volume weighted share price during the ten (10) trading days preceding the date falling 3,5 or 7 years (as relevant) after Closing.

The total fair value of the Consideration Shares of USD 431 thousand was estimated using the Black & Scholes option pricing model at the date of the acquisition. The fair value of the Consideration Shares was based on the share price of the Company on 19 February 2021 of NOK 8.00 per share, which was the closing share price on the completion day of the acquisition.

The assets and liabilities recognized as a result of the acquisition are as follows:

Amounts in USD thousands	
Fair value of net assets acquired	
Property, plant and equipment	17
Trade and other receivables	223
Contract assets	47
Cash and cash equivalents	670
Trade and other payables	(261)
Net identifiable assets acquired	697

There were no other separately identifiable intangible assets or fair value adjustments recognized on the acquisition. The book value of acquired assets and liabilities has been considered the fair value.

Excess value

Amounts in USD thousands	
Excess value	
Fair value of identifiable net assets acquired	697
Less: purchase consideration	(1,332)
Excess value	635

Amounts in USD thousands	
Excess value allocated to:	
Goodwill	635
Total	635

The goodwill is attributable to the workforce, high profitability of the acquired business and expected synergies with the existing business of the Company. It will not be deductible for tax purposes.

If new information obtained within one year of the date of acquisition about facts and circumstances that existed at the date of acquisition identifies adjustments to the above amounts, or any additional provisions that existed at the date of acquisition, then the accounting for the acquisition will be revised.

Net cash flow on acquisition of subsidiaries

Amounts in USD thousands	
Net cash flow on acquisition of subsidiaries	
Cash acquired	670
Cash paid	(669)
Net cash outflow - investing activities	(1)

Impact of acquisitions on the results of the group

East Point Geo Ltd was consolidated as of 19th February 2021. The Group incurred acquisition-related costs of USD 8 thousands on legal fees and due diligence. These costs have been included in other operating expenses in the consolidated income statement.

If the acquisition had occurred on 1 January 2021, consolidated pro-forma revenue and net profit after tax for the year ended 31 December 2021 would have been USD 151.1 million and USD 3.2 million respectively

Note 8. Financial items

Amounts in USD thousands	2021	2020
Finance income		
Interest income	1	18
Change in fair value of warrants (note 18)	-	328
Other finance income	111	54
Total	112	399
Finance expenses		
Interest on obligations under finance leases	225	89
Other finance expenses	540	182
Total	765	271
Net foreign exchange gain (loss)		
Net foreign exchange gain (loss)	(592)	(568)
Total	(592)	(568)

Net foreign exchange gain includes unrealised foreign currency gain related to bank accounts in the company and its subsidiaries, which have bank accounts in different currencies than their functional currencies.

Long term loans to subsidiaries have been assessed to be a part of the net investments in the subsidiaries. In compliance with IAS 21, the unrealised currency effects related to these loans have been recognised in foreign currency translation reserve in the consolidated statement of other comprehensive income.

Note 9. Taxes

Amounts in USD thousands	2021	2020
Income tax expenses recognised in profit or loss		
Current year income tax expenses	1,404	693
Withholding taxes	1,280	562
Changes in deferred tax	281	(262)
Total	2,965	993
Income tax effect recognised in other comprehensive income		
Income tax effect recognised in other comprehensive income	(343)	30
Total	(343)	30
Deferred tax assets		
Short-term timing differences	1,708	1,395
Total deferred tax assets	1,708	1,395
Movement in the deferred tax assets		
At 1 January	1,395	447
Movement to income statement	313	23
Increase as a result of a business combination	-	918
Exchange differences	(1)	8
At 31 December	1,708	1,395
Deferred tax liabilities		
Long-term timing differences	1,259	682
Total deferred tax liabilities	1,259	682
Movement in the deferred tax liabilities		
At 1 January	682	409
Movement to income statement	971	(239)
Increase as a result of a business combination	-	550
Movement to reserve	(396)	(30)
Exchange differences	2	(8)
At 31 December	1,259	682

Amounts in USD thousands	2021	2020
Reconciliation of the effective tax rate:		
Profit before income tax	6,184	2,507
Income tax using the Group's domestic tax rate of 22% (2019 - 22%)		
Effect of non-deductible expenses or non-taxable income	924	258
Effect of tax rates in other countries	(907)	(371)
Deferred tax assets not recognised	274	390
Withholding taxes	1,280	562
Utilisation or recognition of previously unrecognised tax losses	(102)	(798)
Income tax related to prior years	136	402
Income tax expense recognised in profit or loss	2,965	994

The Group has recognized deferred tax assets in respect of carry forward losses of its various subsidiaries as at 31 December 2021 and 2020. Management's projections of future taxable income and tax optimization strategies support the assumption that it is probable that sufficient taxable income will be available to utilise these deferred tax assets.

Deferred tax assets on the tax losses relating to certain subsidiaries have not been recognized by the Group, due to uncertainty of its recoverability. The use of these tax losses is subject to the certain provisions of the tax legislation of the respective countries in which the companies operate. The deferred tax assets not recognised of USD thousands 274 stated above is mainly related to tax losses carry forward.

Deferred taxes on unrealised foreign exchange gain or loss relating to long terms loans considered as net investment in subsidiaries are recognised in other comprehensive income and presented within equity in the foreign currency translation reserve. Other than these, the change in deferred tax assets and liabilities is primarily recorded in the consolidated income statement.

Deferred tax asset and deferred tax liabilities are presented separately due to different tax regimes.

Goodwill is not deductible for tax purposes.

Note 10. Earnings per share

Basic earnings per share are calculated by dividing the profit attributable to equity shareholders by the weighted average number of ordinary shares outstanding during the year, based on the following data:

Amounts in USD thousands	2021	2020
Profit (loss) after tax	3,218	1,513
Earnings per share (USD): basic	0.034	0.02
Earnings per share (USD): diluted	0.028	0.02
Weighted average number of shares (thousands)	95,075	71,323

The following instruments that could potentially dilute basic earnings per share in the future, have been included in the calculation of diluted earnings per share.

Number of instruments (in thousands)	2021	2020
Employee share options (note 16)	17,765	8,315
Performance based warrants (note 7)	-	1,000
Conditional warrants	2,000	2,000
Total number of options and warrants	19,765	11,315

Note 11. Property, plant and equipment

Amounts in USD thousands	Fixtures and office equipment	Vehicle	Total
Cost			
At 1 January 2020	1,927	56	1,983
Additions	146	4	150
Acquisition of subsidiary	749	22	771
Exchange differences	(530)	5	(525)
At 31 December 2020	2,291	88	2,379
Additions	534	-	534
Disposals	-308	-	-308
Write-off/ transfers	192	-	192
Exchange differences	120	-	120
At 31 December 2021	2,830	88	2,918
Accumulated depreciation			
At 1 January 2020	1,405	19	1,424
Charge for the year	274	12	286
Exchange differences	(546)	3	(543)
At 31 December 2020	1,133	34	1,166
Charge for the year	708	21	729
Disposals	(277)	-	(277)
Write-off/ transfers	220	-	220
Exchange differences	(56)	(1)	(57)
At 31 December 2021	1,728	54	1,781
Net book value at 31 December 2021	1,103	34	1,137
Net book value at 31 December 2020	1,159	54	1,213

Note 12. Leases

The balance sheet shows the following amounts relating to leases:

Amounts in USD thousands	31 December 2021	31 December 2020
Right-of-use assets		
Buildings	3,608	4,685
Office equipment	21	22
	3,629	4,707
Lease liabilities		
Current	1,349	2,552
Non-current	2,481	2,340
	3,830	4,892

Additions to the right-of-use assets during the 2021 financial year were USD 1.3 million.

The statement of profit or loss shows the following amounts relating to leases:

Amounts in USD thousands	2021	2020
Depreciation charge of right-of-use assets		
Buildings	2,703	1,182
Office equipment	1	9
	2,704	1,191
Interest expense (included in finance expenses)		
	225	89
Expense relating to short-term leases (included in other operating expenses)		
	1,729	1,147

Movement in the Right-of-use assets

Amounts in USD thousands	Buildings	Office equipment	Total
At 1 January 2020	2,345	31	2,376
Acquisition of subsidiary	3,472	-	3,472
Amortisation	-1,182	-9	(1,191)
Exchange differences	50	-	50
At 31 December 2020	4,685	22	4,707
Additions of right-of-use assets	1,277	-	1,277
Amortisation	(2,703)	(1)	(2,704)
Exchange differences	349	-	349
At 31 December 2021	3,608	21	3,629

Operating lease commitments

The future aggregate minimum lease payments under non-cancellable short-term and low value operating leases are as follows:

Amounts in USD thousands	31 December 2021	31 December 2020
Lease commitments		
Next 1 year	2,187	240
2 to 5 years	3,069	48
Future minimum lease payments	5,255	288

Note 13. Goodwill and intangible assets

Amounts in USD thousands	Goodwill	Customer relations	Total
Cost			
At 1 January 2020	18,681	-	18,681
Acquired through business combinations	10,006	3,561	13,567
Effect of movements in exchange rates	148	-	148
At 31 December 2020	28,835	3,561	32,396
At 1 January 2021	28,835	3,561	32,396
Acquired through business combinations	635	-	635
Acquired through business combinations (PPA adjustment)	689	-	689
Effect of movements in exchange rates	(353)	-	(353)
At 31 December 2021	29,806	3,561	33,367
Amortisation and impairment			
At 1 January 2020	5,707	-	5,707
Effect of movements in exchange rates	24	-	24
At 31 December 2020	5,731	-	5,731
At 1 January 2021	5,731	-	5,731
Amortisation charge	-	356	356
Effect of movements in exchange rates	(185)	-	(185)
At 31 December 2021	5,546	356	5,902
Net book value at 31 December 2021	24,260	3,205	27,465
Net book value at 31 December 2020	23,104	3,561	26,665
Useful life	Tested for impairment	10 years	

All goodwill is allocated to cash-generating units. These cash-generating units represent the lowest level within the Group at which goodwill is monitored for internal management purposes. Goodwill denominated in foreign currencies is revalued at the balance sheet date. The allocation of goodwill to cash-generating units is as follows:

Amounts in USD thousands	31 December 2021	31 December 2020
Cash Generating Units (CGUs)		
Middle East	6,544	5,729
Asia Pacific	8,662	5,896
Europe	4,544	32
Americas	1,711	149
OWC	2,798	1,324
Unallocated (LOC acquisition)	-	9,974
Total	24,260	23,104

Goodwill arising from the acquisitions is attributable to workforce of the acquired businesses (refer note 7). The goodwill amounts have been measured on a provisional basis. If new information obtained within one year of the date of acquisition about facts and circumstances that existed at the date of acquisition identifies adjustments to the above amounts, or any additional provisions that existed at the date of acquisition, then the accounting for the acquisition will be revised.

Goodwill is tested for impairment at least annually, or when there are indications of impairment. Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculations requires the directors to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. Where the actual future cash flows are less than expected, a material impairment loss may arise.

The company has completed an assessment of impairment indicators and performed an impairment test for those assets and cash generating units (CGUs) where impairment indicators have been identified. The following assumptions were used:

Cash flow projections and assumptions

A 3 year forecast of discounted cash flows plus a terminal value (Gordon's growth model) was used to determine net present value of each CGU. Discounted cash flows were calculated before tax.

Estimated future cash flows for the different CGUs are estimated based on budgets and long-term estimates. The estimated cash flows for year 2022 is based on budget. The estimated cash flows in the years 2023-2024 are based on current 3-year forecasts for each CGUs. The projected cash flows are based on the expected development in the total overall market, the CGUs performance and that ABL Group over time will reach a margin level in line with what other businesses within the industry historically have achieved.

Cash flows have been used over a period of three years as management believes this reflects a reasonable time horizon for management to monitor the trends in the business. After three years a terminal growth rate has been set to 1.5% for the Oil & Gas and Maritime businesses and 1.7% for the Renewable businesses. The estimated terminal long-term growth is mainly dependent on overall market growth for demand for our services and the CGUs ability to recruit the right personnel and its ability to create revenue growth through then proper utilization of human resources.

Discount rate

The discount rate used is the WACC (Weighted average cost of capital) using CAPM (capital asset pricing model). The discount rate for each CGU is derived as the weighted average cost of capital (WACC) for a similar business in the same business environment. The input data is gathered from representative sources and this is used for management's best estimate of WACCs. All parameters were set to reflect the long term period of the assets and time horizon of the forecast period of the cash flows.

Key inputs in determining the WACC:

- Risk free rate: 10year government yield
- Asset beta: Based on selected peer group consisting of companies with statistical data for the last 5 years (1.04)
- Capital structure: Equity ratio of 80%

The cash flows were discounted using WACC of 10.9%.

Impairment test results and conclusion:

Overall the test performed indicated the value in use exceeds the carrying amounts for all CGUs. As a result of the above, no impairment has been recorded during the year.

Sensitivity to impairment

Sensitivity calculations are done for all CGUs that are tested for impairment. To test the sensitivity of the results of the impairment review, the calculations have been re-performed using the following assumptions:

- An increase of discount rate of 2.0% points (after tax)
- A reduction in the EBITDA margin of 3.0% points in the terminal year
- A reduction of terminal growth rate to 0.5% point (to 1.0% growth).

The results indicated that a combined change in all the three assumptions in the sensitivity analysis would result in a value in use exceeds the carrying amounts for all CGUs.

Note 14. Trade and other receivables

Amounts in USD thousands	31 December 2021	31 December 2020
Trade receivables	34,738	33,787
Loss allowance	(1,107)	(932)
	33,631	32,855
Prepayments	3,652	2,878
Deposits	1,172	481
Other receivables	4,781	5,283
Total	43,235	41,498

Trade receivables are amounts due from customers for services performed in the ordinary course of business. They are generally due for settlement within 30 to 90 days and are therefore all classified as current, terms associated with the settlement vary across the Group. Trade receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, when they are recognised at fair value. The group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. Details about the group's impairment policies and the calculation of the loss allowance are provided in note 23.

Deposits includes USD 0.2 million (2020: USD 0.2 million) which are under lien marked as margin money deposits.

Note 15. Cash and cash equivalents

Amounts in USD thousands	31 December 2021	31 December 2020
Cash at bank and in hand	19,815	30,642
Total	19,815	30,642

Cash at banks earns interest at floating rates based on daily bank deposit rates.

Cash and cash equivalents largely comprise bank balances denominated in US Dollars, Norwegian Krone, British Pound, and other currencies for the purpose of settling current liabilities.

The Group has restricted cash at banks of USD 283 thousands at 31 December 2021 (2020: USD 2.3 million) held in the bank accounts of certain entities where there is requirement to hold a certain amount of cash to cover future obligations and are therefore not available for general use by the other entities within the group.

Note 16. Equity

Amounts in USD thousands	Number of shares (thousands)	Share capital	Share premium	Total
At 1 January 2020	70,416	1,018	55,051	56,069
Cash-settled capital increase (net of transaction costs)	22,131	258	15,058	15,316
Dividends paid	-	-	(3,030)	(3,030)
At 31 December 2020	92,548	1,276	67,080	68,355
Cash-settled capital increase (net of transaction costs)	4,375	41	2,260	2,301
Share issued as consideration for business combination		6	1,048	1,054
Dividends paid	-	-	(5,476)	(5,476)
At 31 December 2021	96,923	1,323	64,912	66,235

Each ordinary shares have a par value of NOK 0.10 per share. They entitle the holder to participate in dividends, and to share in the proceeds of winding up the company in proportion to the number of and amounts paid on the shares held. On a show of hands every holder of ordinary shares present at a meeting, in person or by proxy, is entitled to one vote, and on a poll each share is entitled to one vote.

The company does not have a limited amount of authorized capital.

In May and August 2021, 3,375,000 and 1,000,000 ordinary shares (December 2020: 22,131,148 ordinary shares) were issued. The Company incurred USD 0.3 million (2020: USD 0.4 million) towards transaction costs that were directly attributable to the issuance of shares.

Share-based compensation reserve

The share-based compensation reserve arises on the grant of share options to employees under the employee share option plans. Further information about share-based payments to employees is set out below.

Employee share option plan

Under the 2019 Long Term Incentive Plan ("LTIP"), the Company had granted a total of 8,505,000 share options to selected employees, where each option will give the holder the right to acquire one share in AqualisBraemar LOC ASA. The options were granted without consideration. The grant of options was based on the authorization granted by the annual general meeting on 11 June 2019 to issue new shares in connection with the Company's employee incentive program.

Subject to certain conditions, the option holders are obligated to reinvest 25 percent of the pre-tax net gain on the options in AqualisBraemar LOC shares, and to hold these shares for up to three years following exercise. One third of these shares will be released from this obligation for every year following exercise.

The Board of Directors may choose to settle the options by way of cash settlement in lieu of issuing new shares. Exercise terms may be reasonably adjusted by the Board of Directors in the event of dividend payments, share splits or certain other events relating to the equity share capital of the Company.

Set out below are summaries of options granted under the plan:

In thousands of options	2021		2020	
	Number of share options	Weighted average exercise price NOK	Number of share options	Weighted average exercise price NOK
At 1 January	8,315	4.02	8,755	4.02
Granted during the year	11,255	5.80	-	-
Exercised during the year	(45)	3.57	(125)	5.34
Adjusted during the year	70	5.79		
Expired during the year	(125)	4.82	-	-
Forfeited during the year	(1,705)	4.79	(315)	3.76
At 31 December	17,765	4.80	8,315	4.02

Share options outstanding at the end of the year have the following expiry dates and exercise prices:

Grant date	Expiry date	Exercise price NOK	31 December 2019	31 December 2018
01/07/19	29/5/21	4.82		125
20/12/19	11/3/23	3.57	7,335	8,190
04/05/21	14/9/24	5.79	10,430	
			17,765	8,315
Weighted average remaining contractual life of options outstanding at end of period			1.95	3.15

These fair values for share options granted during the year were calculated using The Black-Scholes-Merton option pricing model. The inputs into the model were as follows:

Amounts in NOK	2021	2020
Weighted average share price	8.32	-
Weighted average exercise price	6.10	-
Expected volatility	58.37%	-
Expected life	3.36	-
Risk free rate	0.73%	-
Expected dividend yield	0%	-

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

The Group recognised total expenses of USD 1,5 millions and USD 317 thousands arising from share-based payment in 2021 and 2020 respectively.

Note 17. Bank borrowings

Amounts in USD thousands	31 December 2021		31 December 2020	
	Current	Non-current	Current	Non-current
Bank loans	8,333	3,328	8,207	6,414
Other bank borrowings	-	-	462	-
Total	8,333	3,328	8,669	6,414

To finance the acquisition of the LOC Group, in December 2020, the Company entered into a USD 15 million senior secured term loan facilities agreement with Nordea Bank Abp, filial i Norge. The loan facilities consists of two parts, (i) a term loan of USD 10 million, and (ii) a revolving credit facility of USD 5 million to be renewed annually, both with a maturity of three years and with the following financial covenants:

- Minimum EBITDA of USD 7 million on a rolling 12-month basis; and
- NIBD (Net Interest Bearing Debt) < 0 at all times.

Financial covenants were measured first time with respect to the financial quarter ending 30 June 2021, and thereafter on the last day of each financial quarter.

The interest on both loans is the relevant LIBOR (1, 3 or 6 months at the borrower's discretion) plus a margin of 320 basis points. The term loan is to be repaid through 12 equal instalments on the last day of each financial quarter, the first time on 31 March 2021. For the majority of the borrowings, the fair values are not materially different from their carrying amounts, since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short-term nature.

The arrangement fees for loan facilities of USD 0.38 million have been netted against the loan proceeds.

The Group's obligations under the Nordea Facility Agreement are guaranteed by the Company and certain material group companies.

Note 18. Provisions

Amounts in USD thousands	31 December 2021		31 December 2020	
	Current	Non-current	Current	Non-current
Provision for employees' end of service benefits	-	2,714	-	2,224
Provision for deferred consideration	-	-	1,042	-
Other provisions	-	-	-	990
Total	-	2,714	1,042	3,214

Provision for employees' end of service benefits

In accordance with the provisions of IAS 19, management has carried out an exercise to assess the present value of its obligations at 31 December 2021 and 2020, using the projected unit credit method, in respect of employees' end of service benefits payable under the Labour Laws of the countries in which the Group operates. Under this method, an assessment has been made of an employee's expected service life with the Group and the expected basic salary at the date of leaving the service. The obligation for end of service benefits is not funded.

Note 19. Trade and other payables

Amounts in USD thousands	31 December 2021	31 December 2020
Trade payables	7,689	7,331
Accrued employee benefits	4,826	4,137
Taxation and social security contributions	3,829	5,139
Other accrued expenses and payables	8,124	8,600
Total	24,467	25,207

Trade payables have an average term of three to six months. These amounts are non-interest bearing.

Note 20. Fair values of financial assets and financial liabilities

Amounts in USD thousands	Measurement category	Carrying amount		Fair value	
		31 December 2021	31 December 2020	31 December 2021	31 December 2020
Financial assets					
Trade and other receivables	Amortised cost	43,235	41,498	43,235	41,498
Contract assets	Amortised cost	18,101	12,916	18,101	12,916
Cash and cash equivalents	Amortised cost	19,815	30,642	19,815	30,642
Total		81,152	85,055	81,152	85,055
Financial liabilities					
Trade and other payables	Amortised cost	24,467	25,207	24,467	25,207
Contract liabilities	Amortised cost	949	757	949	757
Bank borrowings	Amortised cost	11,661	15,083	11,661	15,083
Total		37,077	41,047	37,077	41,047

The financial assets principally consist of cash and cash equivalents and trade and other receivables arising directly from operations. The financial liabilities principally consist of a trade and other payables and bank borrowings arising directly from operations.

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

Cash and bank deposits, trade and other current receivables, trade and other current payables and bank borrowings approximate their carrying amounts due to the short-terms maturities of these instruments.

Note 21. Related Party

Related party relationships are those involving control, joint control or significant influence. Related parties are in a position to enter into transactions with the company that would not be undertaken between unrelated parties. All transactions within the group have been based on arm's length principle. There has been no significant transactions with related parties in 2021.

Compensation to Board of Directors

Amounts in USD thousands	2021	2020
Glen Rødland, Chair	43	37
Yvonne Litsheim Sandvold	21	19
Synne Syrrist	24	19
Ronald Series	21	14
James Kidwell	-	3
Total	109	92

Compensation to Executive Management

2021					
Amounts in USD thousands	Salary	Bonus	Pension	Other	Total
David Wells, CEO	295	7	57	62	422
Dean Zuzic, CFO	280	-	25	1	306
Reuben Segal, COO	238	7	-	130	374
RV Ahilan, Chief Energy Transition Officer	239	10	-	47	296
Svein Staaen, General Counsel	224	6	23	3	256
Total	1,276	30	106	243	1,654

2020					
Amounts in USD thousands	Salary	Bonus	Pension	Other	Total
David Wells, CEO	275	5	53	58	390
Dean Zuzic, CFO	89	-	6	1	95
Kim Boman, CFO	162	3	19	2	185
Reuben Segal, COO	238	4	-	124	367
Svein Staaen, General Counsel	199	-	18	3	220
Total	961	12	95	188	1,257

According to the Norwegian Public Limited Companies Act (the "Act") section 6-16a, the Board of Directors have prepared a statement on the establishment of wages and other remuneration for the Managing Director and other senior employees (note 22).

At 31 December 2021 there are no loan or prepayments to Board of Directors, Executive Management or any other related parties.

There are no additional options issued, except for the options mentioned in note 16.

Shares and options owned by members of the Board of Directors and Executive Management at 31 December 2021

Name	Number of options	Number of shares
Board of Directors		
Glen Rødland, Chair	-	14,890,351 ¹
Yvonne Litsheim Sandvold	-	-
Synne Syrrist	-	-
Ronald Series	-	-
Rune Eng		198,407 ⁴
Executive Management		
David Wells, CEO	135,000	1,126,998 ³
Dean Zuzic, CFO	135,000	-
Reuben Segal, COO	135,000	1,798,003 ²
RV Ahilan, Chief Energy Transition Officer	260,000	737,705
Svein Staaen, General Counsel	135,000	202,864
Total	800,000	18,954,328

¹The shares are held through Gross Management AS.

²The shares are held through AmAn Marine Limited (under nominee account LGT Bank AG)

³The shares are held through Alsto Consultancy Ltd and Banque Pictet & Cie SA

⁴The shares are held through Eng Invest AS.

Note 22. Statement regarding the determination of salary and other remuneration to executive management

In this statement, executive management means CEO, CFO and other executives who are employed at the same level in the organisation.

The Company's salary policy for executive management – main principles for 2021

Due to the international scope of its business, AqualisBraemar LOC ASA has to compete on the international market when it comes to salaries for executive management. In order to reach the ambition of becoming one of the leading participants within its line of consultancy business, AqualisBraemar LOC ASA is dependent on offering salaries making the Company able to recruit and keep skilled managers. In order to ensure the best possible leadership the Company must offer a satisfactory salary, which is internationally competitive.

Salaries and other remuneration

It is the Company's policy that management remuneration primarily shall take the form of a fixed monthly salary, reflecting the level of the position and experience of the person concerned. In principle pension plans, where offered, shall be on the same for management as is generally agreed for other employees. The Company has a bonus plan in place for its employees.

In 2019 the Company implemented a long-term incentive plan (the "LTIP") aimed to align the interests of the participating employees with those of the Company's shareholders. Under the LTIP, the Company has granted share options to selected employees, where each option will give the holder the right to acquire one share in AqualisBraemar LOC ASA. The options are granted without consideration. The grant of options is subject to authorization as granted by the shareholders to issue new shares in connection with the Company's employee incentive program.

Specific conditions and limits with regards to the bonus and share purchase plan are regulated by the overall allocation parameters approved by the Board.

Termination payment agreements, where provided, will be seen in connection with confidentiality clauses and non-compete clauses in the employment contract of each employee, in such a way that they basically compensate for limitations in the employee's opportunities to seek new employment. When agreements extend beyond such limitations, other income shall normally be deducted from payments made under termination payment agreements.

Deviations from the above described principles may be done under special circumstances, i.e. in relation to employment in international competition.

Note 23. Financial instruments

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange and interest rate risk), liquidity risk and credit risk. These risks are evaluated by management on an ongoing basis to assess and manage critical exposures. The Group's liquidity and market risks are managed as part of the Group's treasury activities. Treasury operations are conducted within a framework of established policies and procedures.

Market risk – foreign exchange risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign currency rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily the Group's operating activities (when revenue or expense is denominated in a different currency from the Group's presentation currency), the Group's net investments in foreign subsidiaries, and the Group's foreign currency denominated cash deposits. The operating revenue, and thus the trade receivables, of the Group is primarily denominated in USD, while operating expenses are generally denominated in the functional currency of the Group's entities.

The bank accounts in currencies other than the functional currencies will expose the group to foreign currency risk. The major part of foreign bank accounts is in AqualisBraemar LOC ASA. Changes in the USD exchange rate will have following effect on the profit and loss of the group:

Changes in currency exchange rates Amount in USD thousands	+5% changes in rates	-5% changes in rates
31 December 2021		
US Dollars (USD)	157	(157)
31 December 2020		
US Dollars (USD)	372	(336)

Interest rate risk

The Group's exposure to the risk of changes market interest rates relates primarily to the Group's cash and cash equivalents and the bank borrowings. Both risks are considered to have limited effect on the Group's financial statements.

Liquidity risk

Liquidity risk is the potential loss arising from the Group's inability to meet its contractual obligations when due. Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. The Group monitors its risk to a shortage of funds using cash flow forecasts. The Group is in a build-up phase and currently the strategy is to fund the growth of the business through existing cash reserves and from shareholder's equity. The Group had cash and cash equivalents of USD 19.8 million at 31 December 2021 (2020: USD 30.6 million). Based on the current cash position, the Group assesses the liquidity risk to be low.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

Amounts in USD thousands	Carrying amount	Contractual cash flow	Less than 1 year	Between 1 to 5 years
31 December 2021				
Trade and other payables	24,467	24,467	24,467	-
Bank borrowings	11,661	11,661	8,330	3,330
Lease liabilities	3,830	4,117	1,480	2,638
31 December 2020				
Trade and other payables	25,207	25,207	25,207	-
Bank borrowings	15,083	15,462	8,796	6,667
Lease liabilities	4,892	5,171	2,729	2,442

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables and contract assets) and from its financing activities, including deposits with banks. Credit risk is managed on a Group basis.

Credit risk with respect to trade receivables and contract assets is limited by the large base and geographic diversity of the customer base. Customer credit risk is managed by each subsidiary in the Group, subject to established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed on an individual basis, considering its financial position, trading history with the group and existence of previous financial difficulties and outstanding customer receivables are regularly monitored.

The requirement for an impairment is analyzed at each reporting date on an individual basis for major customers. The group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets. To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due with reference to past default experience of the debtor, an analysis of the debtor's current financial position and general current and forecast economic conditions of the industry in which the debtors operate. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

An impairment analyses is performed at each reporting date using a provision matrix to measure expected credit losses. The expected loss rates are based on the days past due for grouping of various customer segments and the corresponding historical credit losses experienced. The historical loss rates are adjusted to reflect current and forward looking information including the default risk associated with the industry and country in which customers operate affecting the ability of the customers to settle the receivables.

Specific debts are provided for where recovery is deemed uncertain, which will be assessed on a case-by-case basis whenever debts are older than the due date, but always when debts are older than usual for the industry in which each business in the Group operates.

The ageing profile of trade receivables and contract assets balance as at 31 December 2021 is as follows:

Amounts in USD thousands	31 December 2021	31 December 2020
Trade receivables		
Up to 3 months	25,246	22,644
3 to 6 months	3,368	4,327
6 to 12 months	3,718	4,406
Over 12 months	1,300	2,410
Total	33,632	33,787
Contract assets	18,101	13,062
Total	51,733	46,849

As at 31 December 2021 the lifetime expected loss provision for trade receivables and contract assets is as follows:

Amounts in USD thousands	Up to 3 months	3 to 6 months	6 to 12 months	Over 12 months	Total trade receivables	Contract assets	Total
31 December 2021							
Carrying amount	24,517	3,955	3,576	1,584	33,632	18,101	51,733
Expected loss rate	0.6%	1.6%	2.6%	33.8%		0.8%	2.4%
Loss allowance	138	66	95	808	1,107	139	1,246
31 December 2020							
Carrying amount	22,644	4,327	4,406	2,410	33,787	13,062	46,849
Expected loss rate	0.5%	1.1%	2.2%	22.0%		1.1%	2.2%
Loss allowance	107	46	99	679	931	146	1,077

Trade receivables and contract assets are written off when there is information indicating that the debtor is in severe financial difficulty and there is no reasonable expectation of recovery. Impairment losses on trade receivables and contract assets are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

The movement in the loss allowance in respect of trade receivables and contract assets during the year was as follows:

Amounts in USD thousands	Trade receivables		Contract assets	
	2021	2020	2021	2020
At 1 January	931	859	146	171
Net remeasurement of loss allowance	249	318	(7)	9
Amounts written-off	(73)	(247)	-	(33)
At 31 December	1,107	931	139	146

The credit risk on deposits with banks is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies. At the end of the reporting period, there were no significant concentrations of credit risk. The maximum exposure to credit risk at the reporting date is the carrying value cash deposits with bank of USD 19.8 million (2020: USD 30.6 million).

Capital management

The group's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

The Group manages its capital structure so as to maintain investor and market confidence and to provide returns to shareholders that will support the future development of the business. In order to maintain or adjust the capital structure if required in response to changes in economic conditions, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. The Group considers its capital as consisting of ordinary shares and retained earnings.

The Board monitors underlying business performance to determine the ongoing use of capital, namely executive and staff incentive schemes (and whether to fund this through cash or share incentives), acquisition appraisals ahead of potential business combinations, investment in property, plant and equipment, and the level of dividends.

Note 24. Contingencies

Bank guarantees

As at 31 December 2021, performance and financial bank guarantees amounting to USD 1.5 million (2020: USD 1.5 million) were issued by the Group's bankers in the ordinary course of business.

Note 25. Segment information

The Group's businesses are managed by four geographical regions aside from Offshore Wind Consultants ("OWC") and Longitude, performance of which is monitored separately. This is the basis for the five reportable segment of the Group. The internal management reports provided by management to the Group's Board of Directors, which is the groups decision maker, is in accordance with this structure. These segments comprise of entities within the geographical regions and OWC and Longitude forms the basis for the segment reporting presented below.

The following is summary of revenues and operating profit (loss) (EBIT) for entities in four geographical regions and OWC and Longitude. Eliminations reflects the eliminations of intra-group revenue to the extent that these arise within the regions and OWC and Longitude.

Amounts in USD thousands	2021	2020
Revenue		
Middle East	28,473	22,365
Asia Pacific	39,275	22,249
Europe	40,586	14,269
Americas	26,320	13,183
OWC	24,110	14,162
Longitude	8,882	
Eliminations	(16,899)	(9,214)
Total	150,748	77,015
Operating profit (loss) (EBIT)		
Middle East	2,387	1,707
Asia Pacific	3,248	1,907
Europe	1,727	829
Americas	1,518	225
OWC	1,216	1,365
Longitude	617	
Corporate group	(3,338)	(3,087)
Total	7,375	2,946

The following segment assets information provided to the Board of Directors for reportable segment consist primarily of trade receivables, contract assets and cash and cash equivalents for entities in different geographical areas and OWC and Longitude.

Amounts in USD thousands	31 December 2021		31 December 2020	
	Trade receivables	Contract assets	Trade receivables	Contract assets
Middle East	6,363	1,449	6,408	1,991
Asia Pacific	7,611	6,196	8,400	4,401
Europe	8,274	3,990	9,961	2,411
Americas	6,494	2,945	7,606	2,803
OWC	3,004	2,490	481	1,309
Longitude	1,884	1,033	-	-
Total	33,631	18,101	32,856	12,916

Cash and cash equivalents	31 December 2021	31 December 2020
Middle East	2,402	2,183
Asia Pacific	4,707	7,269
Europe	3,398	7,334
Americas	2,781	4,863
OWC	3,356	2,193
Longitude	1,139	
Corporate group	2,032	6,800
Total	19,815	30,642

Information about other segment assets and liabilities is not reported to or used by the Board of Directors and, accordingly, no measures of other segment assets and liabilities are reported.

Note 26. List of subsidiaries

The Group's principal subsidiaries at 31 December 2021 are set out below. Unless otherwise indicated, all shareholdings owned directly or indirectly by the Company represent 100% of the issued share capital of the subsidiary and the share capital is comprised of ordinary shares. All entities primarily operate in their country of incorporation.

Name of entity	Place of business / country of incorporation	Principal activities	Ownership interest 2021	Ownership interest 2020	Voting power 2021	Voting power 2020
ABL (Australasia) Pty Ltd	Australia	Adjusting, marine, offshore and renewables consultancy services to the energy, shipping and insurance industries	100%	100%	100%	100%
ABL Energy & Marine Consultants Pte Ltd	Singapore		100%	100%	100%	100%
ABL Group Korea Ltd	Republic of Korea		100%	100%	100%	100%
ABL Shanghai CO Ltd	China		100%	100%	100%	100%
ABL USA Inc	United States		100%	100%	100%	100%
Aqualis Offshore Serviços Ltda	Brazil		100%	100%	100%	100%
AqualisBraemar LOC (Canada) Ltd.	Canada		100%	100%	100%	100%
AqualisBraemar Holding Limited ¹	United Kingdom		100%	100%	100%	100%
Aqualis Offshore Malaysia Sdn Bhd ²	Malaysia		49%	49%	100%	100%
AqualisBraemar Marine Services LLC ²	Qatar		49%	49%	100%	100%
Aqualis Braemar Marine Services LLC (Dubai) ²	United Arab Emirates		49%	49%	100%	100%
Aqualis Braemar Marine Services LLC (Abu Dhabi) ²	United Arab Emirates		49%	49%	100%	100%
Aqualis Offshore UK Ltd	United Kingdom		100%	100%	100%	100%
Braemar Technical Services LLC ²	United Arab Emirates		49%	49%	100%	100%
PT AqualisBraemar Adjusting Indonesia	Indonesia		80%	80%	80%	80%
Braemar Technical Services (Adjusting) Pte Limited	Singapore		100%	100%	100%	100%
AqualisBraemar Technical Services (Adjusting) Ltd.	United Kingdom		100%	100%	100%	100%
AqualisBraemar LLC	Russia		100%	100%	100%	100%
AqualisBraemar (Pty) Ltd.	South Africa		100%	100%	100%	100%
Braemar Teknik Servis Denizcilik Limited Sirketi	Turkey		100%	100%	100%	100%
AqualisBraemar Technical Services Limited	United Kingdom		100%	100%	100%	100%
AqualisBraemar Pty Ltd	Australia		100%	100%	100%	100%
AqualisBraemar India Private Limited	India		100%	100%	100%	100%
PT AqualisBraemar Offshore Indonesia	Indonesia		100%	100%	100%	100%

Name of entity	Place of business / country of incorporation	Principal activities	Ownership interest 2021	Ownership interest 2020	Voting power 2021	Voting power 2020
AqualisBraemar Sdn Bhd	Malaysia	Adjusting, marine, offshore and renewables consultancy services to the energy, shipping and insurance industries	100%	100%	100%	100%
AqualisBraemar Technical Services Pte Ltd.	Nevis		100%	100%	100%	100%
AqualisBraemar (Thailand) Limited	Thailand		100%	100%	100%	100%
AqualisBraemar Vietnam Company Ltd.	Vietnam		100%	100%	100%	100%
AqualisBraemar Technical Services Holdings Limited ¹	United Kingdom		100%	100%	100%	100%
OWC (Aqualis) GmbH	Germany		100%	100%	100%	100%
Offshore Wind Consultants Ireland Limited	Ireland		100%	0%	100%	0%
Offshore Wind Consultants Taiwan Co. Limited	Taiwan		100%	100%	100%	100%
Offshore Wind Consultants Limited ¹	United Kingdom		100%	100%	100%	100%
OWC Japan Ltd.	Japan		100%	100%	100%	100%
Offshore Wind Consultants sp. z o.o	Poland		100%	100%	100%	100%
Innosea Limited	United Kingdom		100%	71%	100%	71%
Innosea SAS	France		100%	71%	100%	71%
East Point Geo Ltd. (UK) ²	United Kingdom		100%	0%	100%	0%
LOC (Egypt) for Consultancy Service SAE ²	Egypt		60%	60%	60%	60%
LOC (Germany) GmBH	Germany		100%	100%	100%	100%
LOC (Guernsey) Limited	Guernsey		100%	100%	100%	100%
LOC (Kazakhstan) LLP	Kazakhstan		100%	100%	100%	100%
LOC (Netherlands) BV	Netherlands		100%	100%	100%	100%
LOC Senegal	Senegal		100%	0%	100%	0%
LOC (Tianjin) Co. Ltd.	China		100%	100%	100%	100%
LOC (Tianjin) Risk Technology Service Co. Ltd.	China		100%	100%	100%	100%
LOC Group Limited	United Kingdom		100%	100%	100%	100%
LOC (Laem Chabang) Co. Ltd.	Thailand		100%	100%	100%	100%
London Offshore Consultants (Aberdeen) Limited	United Kingdom		100%	100%	100%	100%
London Offshore Consultants (France) SARL	France		100%	100%	100%	100%
London Offshore Consultants (Guernsey) Limited	Guernsey		99%	99%	99%	99%
London Offshore Consultants Holdings Ltd.	United Kingdom		100%	100%	100%	100%

Name of entity	Place of business / country of incorporation	Principal activities	Ownership interest 2021	Ownership interest 2020	Voting power 2021	Voting power 2020
London Offshore Consultants (India) Private Limited	India	Adjusting, marine, offshore and renewables consultancy services to the energy, shipping and insurance industries	100%	100%	100%	100%
London Offshore Consultants (Malaysia) SDN BHD ²	Malaysia		49%	49%	49%	49%
London Offshore Consultants (Nigeria) Limited	Nigeria		100%	100%	100%	100%
London Offshore Consultants (Qatar) LLC ²	Qatar		49%	49%	49%	49%
London Offshore Consultants (Korea) Ltd.	Republic of Korea		100%	100%	100%	100%
London Offshore Consultants Limited	United Kingdom		100%	100%	100%	100%
London Offshore Consultants (Mexico) SA de CV	Mexico		100%	100%	100%	100%
London Offshore Consultants Norge AS	Norway		100%	100%	100%	100%
London Offshore Consultants Pte Limited	Singapore		100%	100%	100%	100%
London Offshore Consultants WLL ²	United Arab Emirates		49%	49%	49%	49%
Longitude Consultancy Holdings Limited	United Kingdom		100%	100%	100%	100%
Longitude Consultants Inc.	United States		100%	100%	100%	100%
Longitude Consulting Engineers Limited	United Kingdom		100%	100%	100%	100%
Longitude Engineering de Mexico SA de CV	Mexico		100%	100%	100%	100%
Longitude Engineers PTE Limited	Singapore		100%	100%	100%	100%
Neptune Bidco Limited	United Kingdom		100%	100%	100%	100%
Neptune Midco 1 Limited ¹	United Kingdom		100%	100%	100%	100%
Neptune Midco 2 Limited	United Kingdom		100%	100%	100%	100%
London Offshore Consultants Brasil Ltda.	Brazil		100%	100%	100%	100%
London Offshore Consultants (Hong Kong) Ltd.	Hong Kong		100%	100%	100%	100%
LOC JLA Inc.	United States	100%	100%	100%	100%	
John LeBourhis & Associates	United States	100%	100%	100%	100%	
Neptune Midco 2 Limited	United Kingdom	100%	0%	100%	0%	
London Offshore Consultants Brasil Ltda.	Brazil	100%	0%	100%	0%	
London Offshore Consultants (Hong Kong) Ltd.	Hong Kong	100%	0%	100%	0%	

Name of entity	Place of business / country of incorporation	Principal activities	Ownership interest 2021	Ownership interest 2020	Voting power 2021	Voting power 2020
London Offshore Consultants (Canada) Ltd.	Canada	Adjusting, marine, offshore and renewables consultancy services to the energy, shipping and insurance industries	100%	0%	100%	0%
London Offshore Consultants (Australia) Pty Ltd.	Australia		100%	0%	100%	0%
LOC JLA Inc.	United States		100%	0%	100%	0%
John LeBourhis & Associates	United States		100%	0%	100%	0%

¹ Investments held directly by AqualisBraemar LOC ASA

² The remaining legal ownership in each case is registered in the name of a local sponsors in accordance with statutory regulations of those countries, who has assigned all the economic benefits attached to their shareholdings to the Group entity. The Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity via management agreements and, accordingly, these entities are consolidated as wholly owned subsidiaries in these consolidated financial statements (Note 3).

Note 27. Shareholder information

The list of top 20 shareholders below is based on the shareholder register as per 31 December 2021. Actual shareholding may deviate due to the use of nominee accounts.

Name of shareholder	No. of shares	% ownership
Gross Management AS	14,890,351	15.4 %
Holmen Spesialfond	9,650,000	10.0 %
Bjørn Stray	6,017,743	6.2 %
Melesio Invest AS	4,611,016	4.8 %
Sober AS	3,500,000	3.6 %
Mustang Capital AS	2,830,334	2.9 %
Hausta Investor AS	2,488,623	2.6 %
KRB Capital AS	2,348,818	2.4 %
MP Pensjon PK	2,081,128	2.1 %
Valorem AS	2,020,000	2.1 %
LGT Bank AG	1,798,003	1.9 %
Trapesa AS	1,751,422	1.8 %
Amphytron Invest AS	1,600,339	1.7 %
Catilina Invest AS	1,555,339	1.6 %
Badreddin Diab	1,517,695	1.6 %
Ginko AS	1,428,480	1.5 %
Quilter Int Isle of Man Ltd	1,261,662	1.3 %
Bankque Pictet & Cie SA	1,126,998	1.2 %
Acme Capital AS	1,077,256	1.1 %
Saxo Bank AS	981,062	1.0 %
Total	64,536,269	66.6 %

At 31 December 2021, the Company had 2090 shareholders (2020: 2,127), and 16,1% (2020: 37,2%) of the shares of the Company were held by foreign registered shareholders.

Parent Company Financial Statements and Notes

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Income statement

Amounts in NOK thousands	Notes	2021	2020
Revenues	2	12,335	9,104
Total revenue		12,335	9,104
Staff costs	3	(11,122)	(11,072)
Other operating expenses	4	(10,331)	(4,682)
Depreciation		(6)	(4)
Operating profit (loss) (EBIT)		(9,124)	(6,653)
Finance income	5	35,340	8,630
Finance expenses	5	(4,109)	(175)
Net foreign exchange gain (loss)	5	9,945	(4,130)
Profit (loss) before income tax		32,052	(2,328)
Income tax income (expense)	6	(6,371)	2,236
Profit (loss) after tax		25,681	(93)

Balance Sheet

Amounts in NOK thousands	Notes	31 December 2021	31 December 2020
ASSETS			
Non-current assets			
Property, plant and equipments	16	22	28
Investment in subsidiaries	7	232,402	221,293
Non-current portion of receivables	8	329,424	358,450
Total non-current assets		561,847	579,771
Current assets			
Trade and other receivables	9	26,944	10,573
Cash and cash equivalents	10	5,869	31,213
Total current assets		32,813	41,786
Total assets		594,660	621,556

EQUITY AND LIABILITIES

Equity

Share capital	11, 12	9,692	9,255
Treasury shares	12	-	(372)
Consideration shares	12	12,769	12,769
Other paid-up capital	12	458,433	448,950
Total equity		480,894	470,602

Non-current liabilities

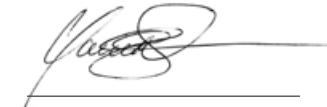
Deferred tax liabilities	6	6,803	432
Bank borrowings	15	28,593	55,506
Provisions	13	-	-
Total non-current liabilities		35,396	55,939

Amounts in NOK thousands	Notes	31 December 2021	31 December 2020
Current liabilities			
Trade and other payables	14	6,888	16,732
Bank borrowings	15	71,482	69,383
Provisions	13	-	8,900
Dividend payable	12	-	-
Total current liabilities		78,370	95,015
Total liabilities		113,766	150,954
Total equity and liabilities		594,660	621,556

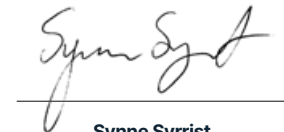
Oslo, 29 April 2022



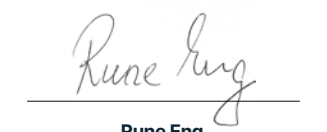
Glen Rødland
Chair of the Board



Yvonne L. Sandvold
Board member



Synne Syrrist
Board member



Rune Eng
Board member



Reuben Segal
CEO

Statement of Cash Flows

Amounts in NOK thousands	Notes	2021	2020
Cash flow from operating activities			
Profit (loss) before income tax		32,052	(2,328)
Non-cash adjustment to reconcile profit before tax to cash flow:			
Provision for deferred consideration	13	-	(4,464)
Depreciation		6	4
Dividend income		(1,704)	-
Reversal of impairment		(1,528)	
Impairment of loan to subsidiaries		-	-
Share of (profit) loss of an associate		-	-
Changes in working capital:			
Changes in trade and other receivables		(13,883)	(7,725)
Changes in trade and other payables		(11,698)	15,142
Cash flow from (used in) operating activities		3,245	630
Cash flow from investing activities			
Repayments of loans by group companies		30,554	(211,235)
Investment in subsidiary	7	(5,629)	(10,706)
Dividend received from subsidiary		1,704	-
Payment for property, plant and equipment		-	(32)
Proceeds on disposal of investment in associates		-	-
Cash flow from (used in) investing activities		26,629	(221,972)
Cash flow from financing activities			
Proceeds from issuance of shares (net of transaction costs)	12	17,808	131,605
Repayments of bank borrowings		(24,815)	124,889
Dividends paid		(48,211)	(28,127)
Cash flow used in from (used in) financing activities		(55,218)	228,368
Net change in cash and cash equivalents		(25,344)	7,026
Cash and cash equivalents at beginning of year		31,213	24,187
Cash and cash equivalents at end of year		5,870	31,213

Notes to the Financial Statements

Note 1. Accounting principles

AqualisBraemar LOC ASA ("the Company") is a limited liability company incorporated on 13 June 2014 and domiciled in Norway with its registered office at Fridtjof Nansens plass 8, 0160, Oslo, Norway. The Company is listed on Oslo Stock Exchange.

The Company is principally an investment holding company. Its other activities include provision of management services to related companies.

The principal activities of the subsidiaries are disclosed in Note 26 to the AqualisBraemar LOC group's consolidated financial statements.

The financial statements have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles in Norway.

Foreign currency translation

Transactions in foreign currency are translated at the rate applicable on the transaction date. Monetary items in a foreign currency are translated into Norwegian Krone ("NOK") using the exchange rate applicable on the balance sheet date. Non-monetary items that are measured at their historical price expressed in a foreign currency are translated into NOK using the exchange rate applicable on the transaction date. Non-monetary items that are measured at their fair value expressed in a foreign currency are translated at the exchange rate applicable on the balance sheet date. Changes to exchange rates are recognized in the income statement as they occur during the accounting period.

Income tax

The tax expense consists of the tax payable and changes to deferred tax. Deferred tax/tax assets are calculated on all differences between the book value and tax value of assets and liabilities. Deferred tax is calculated at applicable rate of temporary differences and the tax effect of tax losses carried forward. Deferred tax assets are recorded in the balance sheet when it is more likely than not that the tax assets will be utilized. Taxes payable and deferred taxes are recognized directly in equity to the extent that they relate to equity transactions.

Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, considering contractually defined terms of payment and excluding taxes or duty.

Borrowings

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of arrangement fees) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method.

Contingent consideration

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability is subsequently remeasured to fair value, with changes in fair value recognized in income statement.

Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the asset.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the income statement in the period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate the assets' cost to their residual values over their estimated useful lives as follows:

- Office equipment: 5 years

The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

An item of property, plant and equipment is derecognized upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

Balance sheet classification

Current assets and short term liabilities consist of receivables and payables due within one year, and items related to the normal operating cycle. Other balance sheet items are classified as non-current.

Current assets are valued at the lower of cost and fair value. Short term liabilities are recognized at nominal value.

Investment in subsidiaries

Investment in subsidiaries is valued at cost of the shares in the subsidiary less any impairment losses. An impairment loss is recognized if the impairment is not considered temporary. Impairment losses are reversed if the reason for the impairment loss disappears in a later period.

Dividends, group contributions and other distributions from subsidiaries are recognized in the same year as they are recognized in the financial statement of the provider. If dividends / group contribution exceeds withheld profits after the acquisition date, the excess amount represents repayment of invested capital, and the distribution will be deducted from the carrying value of the investment.

Other receivables

Other current receivables are recorded in the balance sheet at nominal value less provisions for doubtful accounts. Provisions for doubtful accounts are based on an individual assessment of the receivables.

Cash flow statement

The cash flow statement is presented using the indirect method. Cash and cash equivalents include cash, bank deposits and other short term, highly liquid investments with maturities of three months or less. Deposits held by the bank against guarantees provided to the customers are classified and accounted for in other current assets.

Note 2. Revenues

Amounts in NOK thousands	2021	2020
Corporate group management fees	12,335	9,104
Total	12,335	9,104

Note 3. Staff costs

Amounts in NOK thousands	2021	2020
Salaries	8,842	9,272
Payroll and social security	2,192	1,745
Other personnel costs	88	55
Total	11,122	11,072

At 31 December 2021 the Company had 5 employees (2020: 3 employees). Salaries includes compensation to the board members. AqualisBraemar LOC ASA meets the Norwegian requirements for mandatory occupational pension ("obligatorisk tjenestepensjon"). Please refer to note 21 and 22 in AqualisBraemar LOC group consolidated financial statements for further information regarding the remuneration to board members and executive management.

Note 4. Other operating expenses

Amounts in NOK thousands	2021	2020
Professional fees	4,486	1,980
Share of central costs	520	552
Office rental cost	603	192
Other costs	4,721	1,958
Total other operating expenses	10,331	4,682

Remuneration to the Auditors¹

Amounts in NOK thousands	2021	2020
Audit	1,117	773
Other assurance services	528	70
Other services	-	1,546
Total	1,645	2,389

All fees are exclusive of VAT.

Note 5. Financial items

Amounts in NOK thousands	2021	2020
Finance income		
Interest income on loans to related parties	32,107	4,120
Interest income from bank deposits	1	47
Change in fair value of warrants (note 13)	-	4,464
Dividend from subsidiaries	1,704	-
Reversal of write down on long-term financial assets	1,528	-
Total	35,340	8,630
Finance expenses		
Interest expenses	4,108	175
Change in fair value of warrants (note 13)	-	-
Other finance expenses	1	-
Total	4,109	175
Net foreign exchange gain (loss)		
Net foreign exchange gain (loss)	9,945	(4,130)
Total net foreign exchange gain (loss)	9,945	(4,130)

Net foreign exchange gain includes unrealised foreign currency effect related to bank accounts other than NOK and unrealised foreign currency on long term loans to subsidiaries in the Company.

Loans to subsidiaries have been assessed to be a part of the net investments in the subsidiaries as these are long term in nature and settlement is neither planned nor likely in the foreseeable future. These are eliminated upon consolidation and exchange differences arising from the translation are recognised in other comprehensive income. Refer to note 8 in AqualisBraemar LOC group consolidated financial statements for further information.

Note 6. Taxes

Amounts in NOK thousands	31 December 2021	31 December 2020
Income tax expense recognised in profit or loss		
Changes in deferred tax	6,371	(2,236)
Total income tax expense (income)	6,371	(2,236)
Tax base calculation		
Profit before income tax	32,052	(2,328)
Permanent differences	(4,580)	(7,834)
Changes in temporary differences	(16,849)	2,767
Total tax base	10,623	(7,395)
Temporary differences		
Short term receivables	(3,566)	(5,095)
Long term receivables in foreign currency	35,189	21,446
Provisions	-	(1,568)
Property, plant and equipment	1	(9)
Total	31,624	14,774
Accumulated losses carried forward	(700)	(11,323)
Base for deferred tax liability	30,924	3,451
Deferred tax liabilities	6,803	432
Total deferred tax liabilities	6,803	432

Norway corporation tax rate for 2021 was 22% (2020: 22%). For 2022, there is no change in corporation tax rate. Deferred tax liability as of 31 December 2021 has been calculated based on this rate.

Reconciliation of the effective tax rate:

Amounts in NOK thousands	2021	2020
Profit (loss) before income tax	32,052	(2,328)
Income tax using the Company's domestic tax rate of 22% (2019 - 22%)	7,051	(512)
Effect of permanent difference	(1,008)	(1,723)
Effect of changes in tax rate	-	-
Income tax (income) expense recognised in profit or loss	6,044	(2,236)
Effective tax rate	18.9%	96.0%

Note 7. Investments in subsidiaries

The subsidiaries directly owned by the Company at 31 December 2021 are set out below. Unless otherwise indicated, all shareholdings owned by the Company represent 100% of the issued share capital of the subsidiary and the share capital is comprised of ordinary shares. Figures presented below in functional currency thousands.

Name of subsidiaries	Registered office	Functional currency	Share capital	Equity as of 31.12.2021	Net profit for the year	Net carrying value NOK '000
AqualisBraemar Holding Limited	UK	GBP	5,194	(2,589)	(1,634)	118,678
Offshore Wind Consultants Limited (OWC)	UK	GBP	0.1	1,080	1,177	8,668
AqualisBraemar Technical Services Holdings Limited (BTS)	UK	GBP	-	9,817	(37)	70,472
Neptune Midco 1 Limited (LOC Group)	UK	GBP	43,920	49,182	(16,464)	23,475
East Point Geo Ltd (EPG)	UK	GBP	-	1	78	11,109
Total						232,402

On 18 February 2021, the Company acquired 100% of the shares in East Point Geo Ltd ("EPG"), an independent geoscience consultancy providing support for major offshore and onshore engineering projects, specialising in renewables and oil and gas developments. The transaction completes AqualisBraemar LOC's geoscience offering to clients, and provides additional growth opportunities particularly within renewables. For EPG, AqualisBraemar LOC's global footprint and established brand will enable accelerated growth. The transaction values EPG at an enterprise value of GBP 750 000 settled with a combination of cash, sellers' credit and shares in AqualisBraemar LOC. Settlement of the consideration shares will take place 3 to 7 years after closing of the transaction. Refer to note 7 in AqualisBraemar LOC group consolidated financial statements for further information regarding the acquisition.

On 21 December 2020, the Company acquired 100% of the shares in Neptune Midco 1 Limited ("LOC Group"), a specialised consultancy group out of LOC Group Holdings Limited. The acquisition is expected to increase the group's market share and reduce costs through economies of scale. Refer to note 7 in AqualisBraemar LOC group consolidated financial statements for further information regarding the acquisition.

On 21 June 2019, the Company had acquired 100% of the shares in Braemar Technical Services Holdings Limited ("BTS") (subsequently renamed to "AqualisBraemar Technical Services Holdings Limited"), a specialised consultancy group consists of 3 business streams (Offshore, Marine and Adjusting) out of Braemar Shipping Services PLC's "(Braemar)" technical division. The acquisition was completed by issuing shares and performance based warrants, if certain financial targets related to EBITDA and gross profit are met during a two-year period commencing 1 April 2019 until 31 March 2021. Subsequent to completion of LOC Group acquisition, the Company agreed minimum one million warrants regardless of performance criteria. The fair value of the warrants of NOK 8.9 million was estimated using the Black and Scholes formula at 31 December 2020 (note 13).

Note 8. Related party

"For the purposes of the Company's financial statements, parties are considered to be related to the Company if the Company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

In addition to the related party information disclosed elsewhere in the group consolidated financial statements, the Company's balances with the related parties included in the balance sheet are as follows:"

Amounts in NOK thousands	31 December 2021	31 December 2020
Loans to group companies		
Neptune Midco 1 Limited (LOC Group)	277,111	267,863
AqualisBraemar Holding Limited	18,661	57,417
Aqualis Offshore UK Limited	10,779	9,635
AqualisBraemar Technical Services Holdings Limited (BTS)	2,666	8,316
AqualisBraemar Inc.	9,107	8,142
Aqualis Offshore Serviços Ltda	2,944	2,290
OWC Japan Ltd.	2,948	1,287
AqualisBraemar Korea Limited	1,355	1,211
London Offshore Consultants Norge AS	2,296	899
AqualisBraemar S. De R.L. De C.V.	994	886
OWC (Aqualis) GmbH	563	503
Aqualis Braemar Marine Services LLC, UAE	-	-
AqualisBraemar Marine Services LLC	-	-
Total	329,424	358,450
Non-current portion	329,424	358,450
Current portion	-	-
Total	329,424	358,450

The loans to Group companies carry an annual interest rate of 10%. Loans to subsidiaries have a long term perspective and does not have a specific repayment date.

Amounts in NOK thousands	31 December 2021	31 December 2020
Due from related parties		
AqualisBraemar Holding Limited	23,495	9,199
	23,495	9,199
Due to related parties		
AqualisBraemar Holding Limited	-	129
	-	129

Amount due from and due to group companies are unsecured, non-interest bearing and are repayable on demand and are included in trade and other receivables (note 9) and trade and other payables respectively (note 14).

Transactions with related parties are made at terms agreed between the parties. For the year ended 31 December 2020, transactions with related parties included in profit and loss are as follows:

Amounts in NOK thousands	2021	2020
Corporate group management services (note 2)	12,335	9,104
Interest income on loans (note 5)	32,107	4,120
Share of central costs (note 4)	520	552

Note 9. Trade and other receivables

Amounts in NOK thousands	31 December 2021	31 December 2020
Due from related parties (note 8)	23,495	9,199
Other receivables	2,911	1,374
Total	26,406	10,573

Other receivables are non-interest bearing and are generally on terms of 30 to 45 days.

Note 10. Cash and cash equivalents

Amounts in NOK thousands	31 December 2021	31 December 2020
Cash and bank balances	5,869	31,213
Total	5,869	31,213

Amounts in thousands	31 December 2021		31 December 2020	
	Currency	NOK	Currency	NOK
Distributed in following currencies:				
US Dollars	219	1,935	227	18,857
Norwegian Krone	3,001	3,001	351	11,233
Euro	93	933	109	1,123
Total		5,869		31,213

The Company has restricted cash at banks of NOK 487 thousand at 31 December 2021 (2020: NOK 485 thousand). These are subject to regulatory restrictions and are therefore not available for general use by the other entities within the group.

Note 11. Share capital

Amounts in NOK thousands	Number of shares	Share capital
At 1 January 2020	70,416,435	7,042
Cash-settled capital increase (net of transaction costs)	22,131,148	2,213
At 31 December 2020	92,547,583	9,255
At 1 January 2021	92,547,583	9,255
Cash-settled capital increase (net of transaction costs)	4,375,000	438
At 31 December 2021	96,922,583	9,692

Each share has a par value of NOK 0.10 per share.

Share-based payments

The company has established share option plan that entitle employees to purchase share in the company. Under these plan, holders of vested options are entitled to purchase shares at the market price of the shares at grant date. Each employee share option converts into one ordinary share of the Company on exercise. No amounts are paid or payable by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry. Refer note 16 in AqualisBraemar LOC group consolidated financial statements for more information.

Refer to note 27 in AqualisBraemar LOC group consolidated financial statements for further information regarding the company's largest shareholders.

Note 12. Equity

Amounts in NOK thousands	Share capital	Treasury shares	Consideration shares	Other paid-up capital	Total equity
At 1 January 2020	7,042	(372)	-	333,694	340,363
Cash-settled capital increase (net of transaction costs)	2,213	-	-	129,392	131,605
Shares to be issued as part of the consideration on a acquisition of subsidiary	-	-	12,769	-	12,769
Dividends	-	-	-	(14,043)	(14,043)
Profit after taxes	-	-	-	(93)	(93)
At 31 December 2020	9,255	(372)	12,769	448,950	470,602
At 1 January 2021	9,255	(372)	12,769	448,950	470,602
Cash settled capital increase (net of transaction costs)	338	-	-	17,371	17,708
Shares issued as consideration for business combination	100	-	-	10,620	10,720
Shares to be issued as part of the consideration on a acquisition of subsidiary	-	-	-	3,626	3,626
Employee share program issue	-	372	-	396	768
Dividends	-	-	-	(48,211)	(48,211)
Profit after taxes	-	-	-	25,681	25,681
At 31 December 2021	9,692	-	12,769	458,433	480,894

The Board of Directors proposed distribution of dividend of NOK 0.25 per share. The distribution of dividend was approved in AGM held on 2 June 2021 and paid to the shareholders on 17 June 2021. Further cash dividend of NOK 0.25 per share was approved by the Board of Directors and distributed on 2 December 2021. In 2021, total dividend of NOK 48, 211 thousands was paid to the shareholders. For tax purposes, the distribution of dividend was considered repayment of paid in capital.

The Company incurred NOK 2,879 thousands (2020: NOK 3,395 thousands) towards transaction costs that were directly attributable to the issuance of shares.

Refer to note 7,16 in AqualisBraemar LOC group consolidated financial statements for further information regarding the issuance of new shares on acquisition and buy back of treasury shares.

Note 13. Provisions

The performance based warrants issued as part of the BTS acquisition (refer note 7) was settled in 2021 and no provision is outstanding as of 31.12.2021.

Note 14. Trade and other payables

Amounts in NOK thousands	31 December 2021	31 December 2020
Trade payables	2,014	10,429
Due to related parties (note 8)	-	129
Accruals and other payables	4,874	6,174
Total	6,888	16,732

Trade payables are non- interest bearing and are normally settled on 30 days term.

Note 15. Bank Borrowings

Amounts in NOK thousands	31 December 2021		31 December 2020	
	Current	Non-current	Current	Non-current
Bank loans	71,482	28,593	69,383	55,506
Total	71,482	28,593	69,383	55,506

To finance the acquisition of the LOC Group (refer note 7), in December 2020, the Company entered into a USD 15 million senior secured term loan facilities agreement with Nordea Bank Abp, filial i Norge. The loan facilities consisted of two parts, (i) a term loan of USD 10 million, and (ii) a revolving credit facility of USD 5 million to be renewed annually, both with a maturity of three years and with the following financial covenants:

- Minimum EBITDA of USD 7 million on a rolling 12-month basis; and
- NIBD (Net Interest Bearing Debt) < 0 at all times.

Financial covenants were measured first time with respect to the financial quarter ending 30 June 2021, and thereafter on the last day of each financial quarter.

The interest on both loans is the relevant LIBOR (1, 3 or 6 months at the borrower's discretion) plus a margin of 320 basis points. The term loan is to be repaid through 12 equal instalments on the last day of each financial quarter, first time on 31 March 2021. For the majority of the borrowings, the fair values are not materially different from their carrying amounts, since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short-term nature.

The Group's obligations under the facility agreement is guaranteed by the Company and certain material group companies.

Note 16. Property, plant and equipments

2021	Office equipment	Total
Amounts in NOK thousands		
Cost		
As at 1 January 2021	32	32
Additions	-	-
As at 31 December 2021	32	32
Depreciation		
As at 1 January 2021	4	4
Depreciation charge for the year	6	6
As at 31 December 2021	10	10
Net book value at 31 December 2021	22	22
Useful life	5 years	



To the General Meeting of AqualisBraemar LOC ASA

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of AqualisBraemar LOC ASA, which comprise:

- The financial statements of the parent company AqualisBraemar LOC ASA (the Company), which comprise the balance sheet as at 31 December 2021, the income statement and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting principles, and
- The consolidated financial statements of AqualisBraemar LOC ASA and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2021, the consolidated statement of income, consolidated statement of other comprehensive income, consolidated statement of changes in equity and consolidated 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,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2021, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and
- the financial statements give a true and fair view of the financial position of the Group as at 31 December 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

Our opinion is consistent with our additional report to the Audit Committee.

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 and the Group as required by laws and regulations and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International

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Independence Standards) (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.

To the best of our knowledge and belief, no prohibited non-audit services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided.

We have been the auditor of the Company for five years from the election by the general meeting of the shareholders on 15 May 2017 for the accounting year 2017.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. The Group's business operations, who continue to evolve due to ongoing improvement projects, are largely the same as last year. *Impairment assessment of goodwill* carries the same characteristics and risks this year and has consequently been in our focus for the 2021 audit.

Key Audit Matter

How our audit addressed the Key Audit Matter

Impairment assessment of goodwill

The carrying value of goodwill amounted to USD 24,260 thousands as of 31 December 2021, which is about 20% of total assets. Goodwill should be tested for impairment annually, or when there are indicators of impairment. An impairment test of goodwill was performed at year end 2021. The test did not result in an impairment charge being recognized.

The impairment test involved significant management judgement; and a potential impairment loss may have material impact on the carrying value of the Group's assets. The judgement was mainly related to estimating future cash flows and the discount rate. See note 13 (Intangible assets) where the impairment model and key assumptions are disclosed.

We evaluated and challenged management's impairment model. We corroborated the elements in the model to the requirements in IFRS and found no material inconsistencies. Further, we tested the mathematical accuracy of the impairment model. We challenged management's use of assumptions in the future cash flow estimate. We found that future cash flow estimates were based on the budgets approved by the Board of Directors. We tested management's budgeting accuracy by performing look-back analysis of budgeted growth rate and EBITDA margin against actuals. When we found deviations, we assessed management's explanations and corroborated with other evidence available to us. To challenge the assumptions in the impairment model, we held discussions with management. We found that the future cash flow estimates were sensitive to the applied growth rate and EBITDA margin. Based on our testing and discussions with management, we found management's budgeting for the purpose of this impairment test, to be reliable.

In order to evaluate the assumptions used to build the discount rate, we used external market data and observable data from comparable companies. We



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found the assumptions to be reasonable based on our knowledge and available evidence.

Finally, we considered disclosures in note 13 to the consolidated financial statements and found them appropriate.

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 accompanying the financial statements. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report nor the other information accompanying the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report and the other information accompanying the financial statements. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the other information accompanying the financial statements and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report and the other information accompanying 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 or the other information accompanying 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
- contains the information required by applicable legal requirements.

Our opinion on the Board of Director's report applies correspondingly to the statements on Corporate Governance and Corporate Social Responsibility.

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 the preparation and true and fair view of the consolidated financial statements of the Group in accordance with International Financial Reporting Standards as adopted by the EU, 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 and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements of the Company use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations. The consolidated financial statements of the

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Group use the going concern basis of accounting unless management either intends to liquidate the Group 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We 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 or the Group'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 and the Group'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 and the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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Independent Auditor's Report - AqualisBraemar LOC ASA



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.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Report on compliance with Regulation on European Single Electronic Format (ESEF)

Opinion

We have performed an assurance engagement to obtain reasonable assurance that the financial statements with file name 5967007LIEEXZXH86096-2021-12-31-en have been prepared in accordance with Section 5-5 of the Norwegian Securities Trading Act (Verdipapirhandelloven) and the accompanying Regulation on European Single Electronic Format (ESEF).

In our opinion, the financial statements have been prepared, in all material respects, in accordance with the requirements of ESEF.

Management's Responsibilities

Management is responsible for preparing, tagging and publishing the financial statements in the single electronic reporting format required in ESEF. This responsibility comprises an adequate process and the internal control procedures which management determines is necessary for the preparation, tagging and publication of the financial statements.

Auditor's Responsibilities

For a description of the auditor's responsibilities when performing an assurance engagement of the ESEF reporting, see: <https://revisorforeningen.no/revisjonsberetninger>

Oslo, 28 April 2022

PricewaterhouseCoopers AS

Anders Ellefsen
State Authorised Public Accountant (Norway)

Alternative Performance Measures (APM)

The European Securities and Markets Authority (ESMA) issued guidelines on Alternative Performance Measures (“APMs”) that came into force on 3 July 2016. Alternative performance measures are meant to provide an enhanced insight into the operations, financing and future prospects of the company. The Company has defined and explained the purpose of the following APMs:

Adjusted EBITDA

Adjusted EBITDA which excludes depreciation, amortisation and impairments, share of net profit (loss) from associates, transaction costs related to acquisitions, restructuring and integration costs is a useful measure because it provides useful information regarding the Company's ability to fund capital expenditures and provides a helpful measure for comparing its operating performance with that of other companies. EBITDA may not be comparable to other similarly titled measures from other companies. A reconciliation between reported operating profit/(loss) and EBITDA is shown below.

Amounts in USD thousands	2021	2020
Operating profit (loss) (EBIT)	7,375	2,946
Depreciation, amortisation and impairment	3,790	1,477
Transaction costs related to acquisition	76	1,393
Restructuring and integration costs	362	185
Share of net profit (loss) from associates	1,475	318
Adjusted EBITDA	13,078	6,320

Adjusted EBIT

Adjusted EBIT which excludes amortisation and impairments, share of net profit (loss) from associates, transaction costs related to acquisitions, restructuring and integration costs is a useful measure because it provides an indication of the profitability of the Company's operating activities for the period without regard to significant events and/ or decisions in the period that are expected to occur less frequently.

A reconciliation between reported operating profit/(loss) and EBIT adjusted is shown below.

Amounts in USD thousands	2021	2020
Operating profit (loss) (EBIT)	7,375	2,946
Amortisation and impairment	356	
Transaction costs related to M&A	76	1,393
Restructuring and integration costs	362	185
Other special items (incl. share-based expenses)	1,475	318
Adjusted EBIT	9,645	4,843

Adjusted profit (loss) after taxes

Adjusted profit (loss) after taxes which excludes amortisation and impairments, share of net profit (loss) from associates, transaction costs related to acquisitions, restructuring and integration costs and certain finance income is a useful measure because it provides an indication of the profitability of the Company's operating activities for the period without regard to significant events and/or decisions in the period that are expected to occur less frequently. A reconciliation between adjusted profit (loss) after taxes and profit (loss) after taxes is shown below.

Amounts in USD thousands	2021	2020
Profit (loss) after taxes	3,218	1,513
Amortisation and impairment	356	
Transaction costs related to M&A	76	1,393
Restructuring and integration costs	362	185
Other special items (incl. share-based expenses)	1,475	318
Fair value adjustments	-	(130)
Gain on bargain purchase	(54)	-
Other finance income	-	-
Adjusted profit (loss) after taxes	5,435	3,280

Return on equity (ROE)

ROE is calculated as the adjusted profit (loss) for the period attributable to equity holders of the parent, divided by average total equity for the period. The adjusted profit (loss) is annualised for interim period reporting. This measure indicates the return generated by the management of the business based on the total equity. The calculation of ROE is shown below.

Amounts in USD thousands	2021	2020
Adjusted profit (loss) after taxes	5,435	3,280
Average total equity	66,092	34,240
ROE	8.2%	9.6%

Return on capital employed (ROCE)

ROCE is calculated as the adjusted EBIT for the period, divided by average capital employed for the period. Capital employed is defined as total assets less non-interest bearing current liabilities. The adjusted EBIT is annualised for interim period reporting. This measure indicates the return generated by the management of the business based on the capital employed. The calculation of ROCE is shown below.

Amounts in USD thousands	2021	2020
Adjusted EBIT	9,645	4,843
Total assets	115,090	119,036
Less: Non-interest bearing current liabilities	(25,814)	(28,653)
Capital employed	89,276	90,383
Average capital employed	91,547	71,681
ROCE	10.5%	6.8%

Order backlog

Order backlog is defined as the aggregate value of future work on signed customer contracts or letters of award. AqualisBraemar LOC's services are shifting towards "call-out contracts" which are driven by day-to-day operational requirements. An estimate for backlog on "call-out contracts" are only included in the order backlog when reliable estimates are available. Management believes that the order backlog is a useful measure in that it provides an indication of the amount of customer backlog and committed activity in the coming periods.

Working capital and working capital ratio

Working capital is a measure of the current capital tied up in operations. The amount of working capital will normally be dependent on the revenues earned over the past quarters. Working capital includes trade receivables, contract assets and other current assets, trade payables, current tax payable, contract liabilities and other current liabilities. Working capital may not be comparable to other similarly titled measures from other companies. Working capital ratio provides an indication of the working capital tied up relative to the average quarterly revenue over the past two quarters.

Amounts in USD thousands	31 December 2021	31 December 2020
Working capital		
Trade and other receivables	43,235	41,498
Contract assets	18,101	12,916
Trade and other payables	(24,467)	(25,207)
Contract liabilities	(398)	(907)
Income tax payable	(949)	(757)
Net working capital	35,523	27,543
Average quarterly revenue over 2 quarters	37,892	35,062
Working capital ratio	94%	79%



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APPENDIX C: AUDITED ANNUAL FINANCIAL STATEMENTS FOR 2022



THE ENERGY
AND MARINE
CONSULTANTS



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THE ENERGY
AND MARINE
CONSULTANTS.

ABL Group is the leading global independent energy and marine consultant, working in energy and oceans to de-risk and drive the transition across the renewables, maritime and oil and gas sectors, offering our customers the deepest pool of world-class expertise across marine, engineering and technical advisory disciplines from more than 300 locations worldwide.



THE ABL GROUP FAMILY

Through targeted acquisition and organic growth, ABL Group have built a comprehensive family of specialist and niche branded energy and marine consultancy companies, offering services that are both complementary and interconnected. This allows our business lines, branded service companies, and expertise to focus closely on delivering technical excellence in engineering and consultancy, loss prevention and loss management.

www.abl-group.com



ABL Group

ABL Group is a leading global independent energy and marine consultant working in energy and oceans to de-risk and drive the energy transition across renewables, maritime and oil and gas sectors.



OWC

Project development services, owner's engineering and technical due diligence to the renewables industry.



East Point Geo

Expert Geoconsulting organisation supporting all sectors; providing efficient client-focused deliverables including data assurance, ground models and quantitative risk assessment.



INNOSEA

Engineering advisory, verification, research & development, concept development and consultancy for marine renewable energy.



Longitude Engineering

Independent engineering, design and analysis services for the marine, renewables, oil & gas, defence, and offshore infrastructure industries.



OSD-IMT

Est. in 1989, specialist ship design house focused on offshore support vessels and clean shipping technology.



ABL Yachts

Superyacht surveyors and consultants.



Add Energy

Consultancy solutions and specialised engineering services enabling operations to be safe, compliant and efficient.

KEY FINANCIAL FIGURES

Results		2022	2021
Total revenues	USD thousands	167,897	150,748
Adjusted EBITDA ¹	USD thousands	18,175	13,078
EBIT	USD thousands	12,514	7,375
Adjusted EBIT ¹	USD thousands	15,262	9,645
Profit (loss) after taxes	USD thousands	6,253	3,218
Adjusted profit (loss) after taxes ¹	USD thousands	7,113	5,435
Return on equity (ROE) ¹	%	10.5%	8.2%
Return on capital employed (ROCE) ¹	%	16.2%	10.5%

Balance sheet and cash flow

Cash and cash equivalent	USD thousands	30,974	19,815
Equity ratio	%	53.9 %	58.1 %
Cashflow from (used in) operating activities	USD thousands	19,285	293

Operations

Order backlog at 31 December ^{1,3}	USD thousands	72,115	63,205
Employees at 31 December ²	Full-time equivalents	1,027	954
Lost time injury per million man-hours	Per million man-hours	-	-
Billing ratio ²	%	77%	75%

Share data

Basic earnings per share	USD	0.06	0.03
Number of shares outstanding at 31 December	million	104.77	96.92
Number of options outstanding at 31 December	million	10.81	17.77
Number of warrants outstanding at 31 December	million	1.00	2.00
Share price at 31 December	NOK	15.25	10.40
Dividends paid per share	NOK	0.60	0.50

¹ Alternative Performance Measures

² Including subcontractors, full time equivalents (2021 figure excludes Add Energy group)

³ Order backlog for 2021 excludes Add Energy Group

Financial calendar 2023

Event	Date
First quarter results	27/04/2023
Annual General Meeting	31/05/2023
Half-yearly results	31/08/2023
Third quarter results	26/10/2023

Ticker symbol

Oslo Børs	ABL
Reuters	ABL.OL
Bloomberg	ABL:NO

ISIN No NO0010715394

Share Register
DNB Bank ASA
Verdipapirservice
Postboks 1600
Sentrum
0021 Oslo



Glen Rødland
Chair of the Board

"Energy won't end poverty, but we can't end poverty without energy,"
—Scott W. Tinker, Director of the Bureau of Economic Geology.

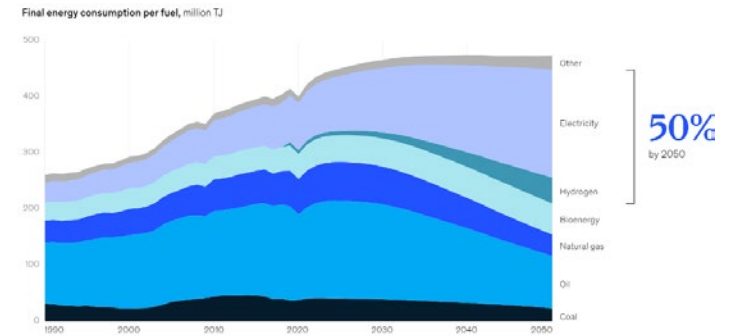
Dear fellow shareholders,

75% of the world's population live in Latin America, Africa, and Asia. It is estimated that about 6 billion people suffer from some form of energy poverty in the world. The challenge ahead is to both succeed with energy transition, while at the same time increase energy supply.

This will be complex and take time. A good starting point is to have a more balanced and less heated debate based on facts and numbers, following the four basic principles of 1) no one owns the truth, we can only seek it, 2) shaming is destructive, civil dialogue is vital, 3) we must balance energy, economics, and climate security, and finally 4) the energy sustainability challenge is not simple, but it is solvable.

Today, less than 20% of the energy is consumed as electricity (electrons) and the remaining energy is consumed as molecules. A key strategy to reduce GHG (Green House Gases) emission is to electrify more of the energy consumption to reach 50% of energy consumption. But it will be particularly demanding to electrify all energy consumption, as the heat needed to produce the four essential commodities, Ammonia, Cement, Steel and Plastic is challenging to electrify. I believe to both succeed with energy transition and increase the living standards of the world's poor (i.e., a 'just transition'), we need more of most energy sources during this transition. Further, given the low energy density of renewable power, we need these sources to be backed by other low carbon power from hydropower, geothermal sources, nuclear power and fossil fuels equipped with carbon capture technology. Energy security is key for the future and the most secure energy source is a mix.

McKinsey - Expected energy consumption:



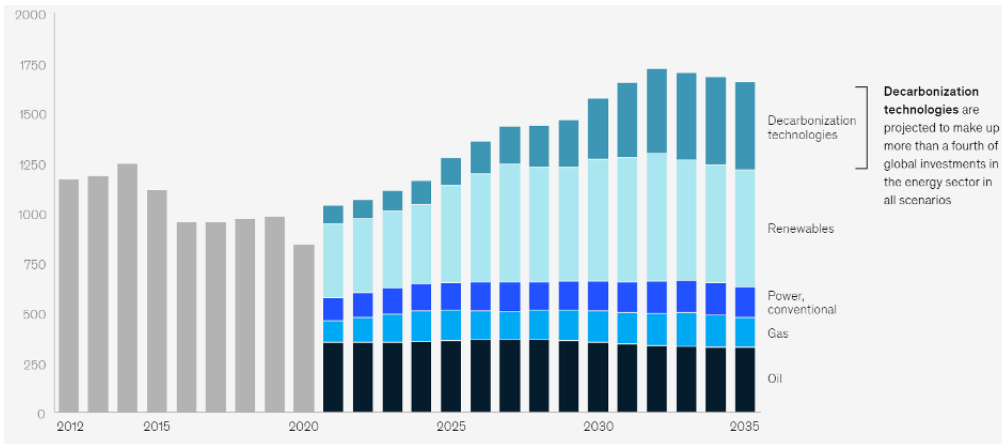
Source: McKinsey Energy Insights Global Energy Perspective 2022

Further, in my view, no energy source is 100% renewable or completely without environmental impacts. Batteries for the energy transition (electric vehicles and battery storage) alone demand more than 300 new mines by 2030 according to analysis by Benchmark. While I expect ESG drivers to make an impact on sustainable mining, this can be a dirty business, often in parts of the world with limited regard to safety and the environment.

A recent article in the Financial Times showed that many solar panels go directly to landfill. Until recently, wind turbine blades were also put into landfill, but rightly the industry has addressed this with new 100% recyclable blades.

If the transition is to be 'just', and not repeat many of the 'sins' of oil and gas, we need to do so responsibly. That means both in terms of sustainability and in terms of not leaving people behind in fuel poverty. A belief in the necessity of Carbon Capture, Utilisation and Storage (CCUS) to balance and complement wind and solar has been a key consideration for ABL Group during our acquisitions of Add Energy in 2022 and AGR in 2023. We are confident that these two acquisitions will give ABL Group a key position in an increasingly important market that according to McKinsey has the largest growth potential (see graph below) and could account for 25% of all energy investments in 2035.

McKinsey – Expected investments in the energy sector (analysis conducted before Ukraine war):



Source: McKinsey Energy Insights Global Energy Perspective 2022

Moreover, according to Shell's most optimistic of the latest Energy Security Scenarios (2023), we will likely miss the 1.5-degree Celsius target by 2050, and only by carbon storage can it be lowered again by the end of the century. So CCUS and other energy transition technologies are just as vital for the world and achieving Net Zero as it is for our business.

Last year I said that we are heading into a "perfect storm" in the energy market. The market itself will not be the problem – we will see significant investments across all energy sources for the next few years, renewables, transitional solutions, and traditional sources of energy with CCUS and other GHG reduction measures. Similarly, the maritime industry must invest in alternative fuels to reduce its GHG emissions, but there is still ongoing debate over which fuel technology (batteries, hydrogen, ammonia, LNG, or other) will prevail. It will be the success of ABL Group's strategy execution and management of the company – or lack of it – that ultimately will determine whether we can capitalise on the coming boom in the transition driving the energy and transport markets.

ABL Group's strategic thinking

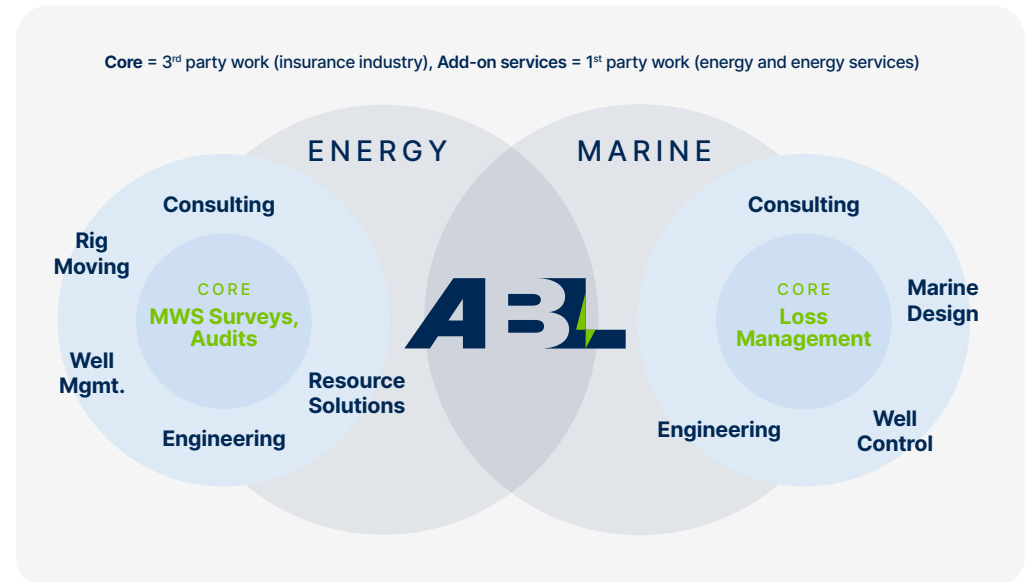
ABL Group's strategy in the marine energy and transportation market is to create a global technical powerhouse to accelerate renewable energy deployment and decarbonise the power and maritime sectors, mitigate and manage risk in energy and oceans and support the transition of hydrocarbon production into a Net Zero future. We also aim to help clients make better and more informed decisions that increase energy supply and promote sustainable production.

ABL Group operates in 39 countries, including all major maritime and offshore energy hubs. Every market and every country are different, and our competitive landscape varies greatly from Mexico to Singapore and from Norway to Taiwan. As such, our success relies heavily on the ability of local management to thrive and outperform. Research shows that in a company of 1,000+ employees, 3-4% drive 80%+ of the EBITDA. Hence, key to our continued success is our ability to attract, develop and retain new management talents that are execution focused, decision oriented, financially astute, motivated and able to make informed decisions quickly.

The primary responsibility of the senior management in ABL Group is to build and rebuild their team. This is an ongoing process, and a challenge further multiplied by several acquisitions and integration processes. So far, we have done okay, but we cannot afford to be complacent. You are never better than your last "game" or your last M&A.

In conclusion, I believe there are two key internal value drivers for ABL Group. Firstly, we must continue to consolidate our relatively fragmented industry by strategically pursuing value-added M&As opportunities. Secondly, we continue to acknowledge that our most valuable asset is our people, and that decisions made by our people, especially the key 3-4% of EBITDA drivers, are extremely important to create superior performance.

ABL's M&A and organic growth strategy



ABL Group has grown sevenfold over the last 5 years, from a revenue of USD 36 million in 2018 to a proforma revenue of about USD 260 million in 2022 (taking in a full year of both AGR and Add Energy). Our strategy is to build a leading position in our core energy and maritime markets: the Marine Warranty Service (MWS) market and the Hull and Machinery (H&M) market. Both MWS and H&M services are directly or indirectly related to requirements from the global shipping and energy insurance industry. ABL Group is a leading or the leading global supplier of MWS and H&M services after significant consolidation over the last few years.

The core markets are what I refer to as 3rd party work in the above illustration, where we approve work carried out by other parties. But like the big 4 audit companies, PWC, EY, Deloitte and KPMG, the primary source of growth is not in auditing (the equivalent of our MWS and H&M capabilities), but rather in other consultancy services offered to the client. I therefore see our strongest growth in 1st party work, where we are working directly for the energy company, rig owner and ship owner.

In 2018, ABL Group was only a significant player in Rig Moving with a strong presence in the Middle East. Today, we have not only maintained our leading position in Rig Moving but also established ourselves as a leading player within MWS and H&M markets. Through our combination with Add Energy and AGR, we have also built a significant presence in the well and reservoir management and services market.

ABL Group will continue to consolidate the still fragmented industry we operate in, but only if the consolidation clearly adds value to our stakeholders. The M&A strategy has therefore been to consolidate related niches of the marine and energy consultancy industry, both locally and globally, aiming for a leading position in all markets we operate in. A key synergy we seek when making acquisitions is the ability to leverage our global infrastructure and presence in renewables, maritime and offshore oil and gas. By sharing our support infrastructure, we expect significant synergies and scale, which will enable us to maintain a truly global office network. AGR, a global leading Well Management company 10 years ago, scaled back during the 7–8-year downturn from 2014 and currently operates in only three oil and gas locations in 2022. As part of ABL Group, we expect to reverse this trend, and expand AGR's operations going forward.

Energy transition – we invest in people not in hard assets

While there is a path forward on energy transition, it is not without a degree of uncertainty. There is uncertainty with respect to technological advancements, the economics of some energy sources, availability of raw material, energy security and so on. Therefore, some investments in fixed long lived assets this early in the energy transition cycle will carry some risks. The market is of course particularly worried about new fixed investments in traditional energy sources, leading to listed companies (both service providers and producers) experiencing relatively low multiples and assets valued below replacement cost.

The beauty of ABL Group's business model is that we do not invest in fixed assets, but in people – very skilled engineers and marine specialists who can tackle the technical challenges of marine energy production, regardless of whether it is floating or fixed wind, floating solar, floating oil and gas production, floating or fixed HVDC/AC substation, or an oil and gas installation. This means we have flexible assets (our people) who can deliver value to clients regardless of the future energy mix. I expect the market to gradually shift towards more renewable and zero-GHG emitting sources. While the transition needs both low carbon energy sources and generation, and hydrocarbons, but ideally decarbonised, it is important that ABL Group can support all our energy and maritime clients during this multiple decade transition.

ABL Group internal improvement strategy and targets

The challenge of delivering strong performance to all our stakeholders in a market characterised by volatility in energy prices, technological uncertainty, intense political pressure for near term results and significant noise both in the media and political circles, should not be overlooked. Increasing inflation, rising salaries, talent scarcity, and excessive project demands will further increase the pressure on management in ABL Group, our employees, and finally our customers. In some key ABL markets the hourly/daily rates in the oil and gas market have in real terms dropped by up to 30-40% from the peak in 2014. For the first time in 8 years, we now see meaningful rate increases in 2022 and I expect we will reach previous highs (in nominal terms) within 2-3 years. A long downturn resulting in redundancies and cuts to compensation have drained the energy industry of talent. Rate and wage/compensation inflation will go hand in hand over the next few years and at ABL Group we need to be cognisant of that fact as we try to attract talent and price our offering to clients.

The growth of ABL Group in the past 4 years make our efforts to professionalise the management and support functions of the company even more urgent. While we achieved a lot in 2022, we still have much to do also in the upcoming years. Our internal focus will centre on the following key factors:

- 1. Professionalisation and specialisation of management and support functions.** Our internal investments and upgrades will primarily focus on IT, legal, recruitment, human resource, training, knowledge management, and strengthening of the financial and commercial competencies across all staff, but especially our 35-40 people in key management.
- 2. Cost synergies, economy of scale.** Acquisitions often provide significant cost and scale synergies, but they also require investments in IT, management and service functions. The focus in 2021 was on integration and investments, especially in IT, to achieve cost reductions, although resulting in a flat development of overhead as percentage of revenue compared to 2020. Unfortunately, 2022 was a second year where overhead was relatively flat as percentage of revenue due to significant investments in education, training, HR, IT and finance. After two years of heavy investments in our support functions, I am convinced that 2023 will be the first year where ABL Group will see overhead gradually reduce as % of revenue.
- 3. Capital efficiency.** ABL Group's business is normally classified as capital-light, with a low or moderate margin. The capital invested in ABL Group is mainly used for working capital and for keeping cash in our various offices worldwide. Despite increasing revenues from 2021, we achieved a positive net cash flow of USD 6.8m in 2022 from a reduction of working capital. The days outstanding (DSO) fell from 94% of trailing 2 quarters revenue to 62% of at the end of 2022. In addition, the use of cash in ABL Group remains high compared to our peers. Our structure, spanning across 38 countries, results in a less efficient use of cash. We will continue to professionalise the treasury function by establishing cash pooling systems and implementing new software to handle payments from our clients. However, capital efficiency is about organisational culture as much as about improving systems and contract payment terms. While somewhat delayed, our ambition to reduce the use of cash and improve capital efficiency remain key priority areas for ABL Group's management during 2023.

- 4. Market reach and service offering.** In 2018, the former Aqualis had 19 offices. Today, after the mergers with BTS, LOC, Add Energy and AGR, ABL Group has offices in 63 locations. Our business is local and global. We are sharing talent and key competencies, but the interaction with customers is often local and the projects often need local presence and expertise. In 2018, 80% of our business came from offshore oil and gas. In 2022, offshore oil and gas accounted for 53% of ABL Group's revenue, 18% came from maritime and 29% from renewables and energy transition. In 2021, we organically established a new business unit focused on energy storage, onshore wind and solar, as well as hydrogen. We have already won significant new business within these areas, illustrating the quick results that can be achieved on the back of solid infrastructure, reputation and network.
- 5. Alignment of incentives between employees and shareholders.** As ABL Group, we value our people and invest in them. They drive our business and remain our core focus. ABL Group has established a long-term share-based incentive system (for details see page 61 in the annual report). The employees of ABL Group currently own approximately 20% of the shares in the company (fully diluted including outstanding options). We also currently reserve up to 15% of our EBITA to employee bonuses. Hence, employees are party to about 30-35% of the profits and dividends paid in the company. As ABL Group grows and fights for scarce talent we will be reviewing our incentive arrangements to make sure that we remain competitive in our key markets. This is also an important consideration in our M&A transactions where we are not only looking to retain talent but also incentivise them to grow businesses within the broader ABL Group footprint.

Operating margin, Return on Capital Employed (ROCE) and returning capital to shareholders

Active capital allocation is the tool both management and the board are using to improve our return on capital. Reduction of the use of capital (or divestment) of businesses that are not meeting our required return on capital should also be expected. In 2022 we sold our Adjusting business to SteegeXP for example.

The normalised operating margin in ABL Group was 9% in 2022, an improvement from 6% on a pro-forma consolidated basis in 2020. The management team is diligently working to realise dynamic income synergies through further professionalisation of the back-office, actively managing capital efficiency and leveraging our expanded service offering and global network. While the acquisitions of AGR and Add Energy may reduce our operating margin in the short term, our medium-term target remains to achieve a sustainable operating margin of 10% (EBIT margin) and reduce the working capital and the cash requirements of the business. Our strategy of simultaneously increasing EBIT while reducing the capital used should lead to a significant improvement in ROCE. In 2022, our ROCE increased to 16%, from 11% in 2021. In the years ahead we aim to achieve a ROCE of over 20% on a sustainable basis, combined with organic growth of 5% annually. The acquisitions of both AGR and Add Energy should in the medium-term be positive or neutral on our ROCE, as both companies are more capital efficient than the legacy ABL Group business. To be clear, the ROCE target is of greater importance to us than the EBIT margin target. While we strive for a good EBIT margin, we are also open to considering acquisitions that may have an EBIT margin of less than 10%, as long as the capital efficiency of the business leads to an expected ROCE of over 20%.

In 2022 we paid a dividend of NOK 0.60 per share (paid in June and November). The board has proposed an ordinary dividend of NOK 0.35 to be paid after the AGM in 2023 and a similar dividend should be expected in November 2023, if performance remains strong. The strategy of the board is to gradually increase dividends as operations improve and the capital tied up is reduced to competitive levels.

Management

2022 was the first year for Reuben Segal as CEO of ABL Group. Having known Reuben since 2005, I had no doubt he was ready for the task. However, I must say that even I have been impressed by his execution focused, decision oriented and financially astute mode of working. Reuben finds motivation in traveling, meeting clients, keeping his employees focused and delivering presentations to diverse audiences. 2022 was a perfect start for Reuben as CEO, and the board is confident he will continue to meet and exceed the expectations of our stakeholders. We are also excited to have appointed Stuart Jackson as our new CFO. Stuart has over 20 years of experience as CFO and CEO of large organisations and will bring a wealth of knowledge and expertise to the ABL Group executive team.

On behalf of the board, I would like to thank all our employees and the management of ABL Group for their excellent work and outstanding results in 2022.

The management team of ABL Group has demonstrated exceptional skills and agility over the past few years, successfully navigating a recession in the oil and gas industry while also driving growth in the rapidly expanding energy transition market. Our management team's "growth skills" are inherent in their DNA, allowing them to lead the company through both challenging times and periods of rapid growth. As we look ahead to 2023, we remain confident that the team will continue this journey towards becoming the world's leading marine and engineering consultancy. We are dedicated to creating sustainable value for our stakeholders while maintaining our commitment to decarbonise the global energy system while also delivering affordable energy to the 8 billion people of the world.


Glen Rødland ⚡ Chair of the Board

RENEWABLES





ABL Group offers expert technical and engineering consultancy across all renewable energy markets: offshore wind, onshore wind, solar, storage, wave and tidal.

ABL Group is uniquely placed in this market to support clients in the delivery of renewable energy projects at every stage of a project or asset's lifecycle. We combine the group's long-term legacy in de-risking marine operations and projects, with the specialised technical expertise of our four group companies in supporting clients to deliver renewable energy projects across all generating technologies and markets.



OWC

Supporting renewables project developers with project development services, owners' engineering and technical due diligence.



East Point Geo

Supporting offshore and onshore wind developers understand ground engineering risks.



INNOSEA

Supporting technology providers with feasibility, advisory, analysis, engineering & design across all marine renewable sources.



Longitude Engineering

Supporting EPCI contractors with independent engineering, design and analysis of marine operations and supporting infrastructure and assets and SOV design through its OSD-IMT specialist ship design unit.



ABL Group

Supporting the insurer and operator with marine assurance and warranty services and offering independent engineering for onshore wind, solar and energy storage.

Independent renewable energy consulting

ABL Group has been an independent leading technical advisor and engineering consultant to many of the major developments in offshore wind development over the last 20 years and we have expanded our expertise to support other generation technologies including onshore wind, solar, energy storage and wave and tidal.

Through our global network of 63 offices worldwide, we provide cutting-edge energy and marine technical expertise in all offshore wind energy locations globally. Often trailblazers in this industry, our group companies have contributed with loss prevention services and consulting and engineering on some of the very first offshore wind projects in the world.

Committed to the acceleration of integrated renewable energy sources decarbonising our electricity networks, our multi-disciplinary expertise supports at every project stage to ensure your operation's success – feasibility, development, engineering, construction, operations and maintenance, and end-of-life across all generation technologies.



Our markets

Offshore Wind

Growth in offshore wind is accelerating and bringing new risks that investors, developers, insurers and EPCI companies all have to understand, eliminate or mitigate. From new emerging markets to new technology such as floating foundations and +15MW wind turbines, the ABL Group can support from early site selection to decommissioning. We bring experience gained during more than three decades of consulting in the energy and marine sectors.

ABL Group has been an independent and impartial partner to many of the major developments in offshore wind development over the last two decades. We can support all forms of early desktop study in early development to owner's engineering fixed or floating projects and provide technical due diligence for some of the largest transactions in the sector. The ABL Group are also the leading provider of MWS in the sector, delivering engineering for EPCIs, and provides design, engineering and construction supervision for SOVs, cable lay vessels, and jack-up installation vessels, loss adjusting, and expert witness and litigation support.

Onshore Wind

The ABL Group delivers independent engineering (IE) services to developers, owners, and lenders in their evaluation of technologies and projects.

Our extensive global footprint also means we are able to easily deploy to support the development of onshore renewables projects in new emerging markets, as in already established markets.

Services include independent engineering and technical due diligence, feasibility studies and owner's engineering, yield, modelling and performance assessment, and strategic and regulatory advisory.

We also provide through a specialist group all aspects of terrain, subsurface and soil geoscience to support ground engineering projects for onshore wind.

Onshore Solar

The ABL Group delivers independent engineering (IE) services to developers, owners, and lenders in their evaluation of solar technologies and projects. Our experts cover ground-mounted PV, roof-top PV, floating PV (also see below) and CSP technologies.

Our extensive global footprint also means we are able to easily deploy to support the development of onshore renewables projects in new emerging markets, as in already established markets.

Services include independent engineering and technical due diligence, feasibility studies and owner's engineering, yield, modelling and performance assessment, and strategic and regulatory advisory.

Floating Solar

ABL Group is a pioneer in the development of floating solar PV (photovoltaic) farms, offering a comprehensive package of front-end engineering, design and advisory services to support innovation and construction of this growing technology.

The group has successfully evolved its service offering and inhouse capabilities at pace with the rapidly developing floating solar PV market and is involved in various multinational research and development (R&D) projects.

Energy Storage

Battery storage, or battery energy storage systems (BESS), are systems that enable energy from renewables, like solar and wind, to be stored and then released when electricity customers need power most. They are essential to speeding up energy transition.

The ABL Group has established a recognised position as a trusted technical consultant for BESS projects, offering independent engineering and technical due diligence, feasibility studies and owner's engineering, route to market, modelling and performance assessment, and strategic and regulatory advisory.

Wave & Tidal

Wave and tidal energy are vast untapped energy resources offshore. With technology still in its early days, our group companies provide a comprehensive range of technical, advisory, engineering and marine assurance services to support developers at every project stage.

Hydrogen

Hydrogen and its derivatives including ammonia are gradually considered a cornerstone of the global energy transition, climate change actions, and sustainable energy security. OWC services for green hydrogen and its derivatives include routes to markets, project development support, technical and commercial independent advisory, production design and electrical engineering.

MARITIME





When it comes to international maritime, experience counts. ABL Group has a maritime legacy spanning more than 150 years since the establishment of the Salvage Association, and in bringing together the trusted reputations and expertise of AqualisBraemar and LOC, we are the leading market provider of loss prevention, loss management and engineering & consulting services to the global maritime industry.

With our entrenched legacy in providing expert support to marine casualties of any type and size worldwide, ABL Group combines expert knowledge with strong collaboration and insight, to deliver a fast, effective response to even the most urgent shipping challenge.

Global Presence in all Maritime Hubs

We have offices located in all major maritime and shipping hubs around the world. We employ a wide range of experts with backgrounds in different areas of the shipping and maritime industry.

We have vast experience in all shipping and maritime-related matters including marine casualties, salvage and wreck removal, hull and machinery, P&I claims, fixed object damage, pollution, personal injury, and ports and harbours, marine accident investigation amongst other areas. Our reputation covers work in ports & harbours, small craft, global shipping, defence and yachts.

Shipping

Our teams of experts support international shipping with our full range of engineering and consulting, loss prevention and loss management services. We bring together the deepest pool of multi-disciplinary expertise to support all areas of shipping, from early advisory and technical due diligence, navigational planning, early engineering, vessel design and modifications, through to operations, with surveys, inspections and audits, as well as world-class marine warranty survey, to supporting in the minimising of losses with marine casualty management,

salvage & wreck removal, and expert witness work. ABL Group is at the forefront of rapidly responding to marine casualties worldwide. We have worked on marine casualties of all scales, including some of the largest and most complex incidents in recent history. Our global network of offices enables us to provide a veritable 24/7 global emergency response service.

Global Marine Emergency Specialists

Our global maritime teams provide valuable technical support to the attending casualty specialists, with a range of services to manage the loss, support in any salvage and removal operations, and to conduct marine casualty investigations to understand the cause of the accident.

Ports and Harbours

ABL Group provides a comprehensive range of services necessary for port development, modification, and operation. Whether to develop the modern and efficient port infrastructure needed for the latest generation of cargo ships, to LNG and increasingly Hydrogen and other clean fuel terminals, to supporting ports for the needs of offshore wind construction, or assisting with ports reducing their carbon emissions, the ABL Group has the expertise and tools for our clients.

Our ports and harbours team offer marine studies, including technical due diligence, and engineering consulting services to assist in the development of new and existing port projects.

Defence

ABL Group is a well-known and trusted provider of marine and engineering consulting services to the maritime defence sector. Along with our group company Longitude Engineering, we are well equipped and experienced in managing highly confidential projects for the defence sector across the world.

Our services include naval architecture and engineering for vessel design, conversion and upgrades, advanced analysis and simulation services, marine systems engineering and consulting, marine operations engineering, marine assurance and risk services, as well as support in expert witness, claims and litigation.

Small Craft

We offer a wide range of marine and engineering consulting services to support small craft across the maritime, oil & gas, defence and renewable sectors, providing technical support at any stage of an asset's life-cycle. From Small Patrol, passenger, rescue and rigid inflatable boat design to small boat modifications, Longitude develops design both independently, or by working alongside the client's design team.

Superyachts

A trusted partner to the insurance industry, yacht brokers, management companies and owners worldwide, ABL Yachts offers clients the strength of a large multi-disciplinary superyacht survey team with a collective experience measured in hundreds of years, combined with the heritage and support of one of the marine industry's most respected brands.

Leading on decarbonising the maritime sector

The International Maritime Organisation (IMO) has made a commitment to cutting greenhouse gas emissions from international shipping by at least 50% by 2050 compared to 2008 levels.

ABL Group along with group company Longitude Engineering, have developed specialised in-house capabilities to provide comprehensive advice and technical support to clients in their transition to more sustainable shipping solutions. Our services cover support from early advisory and feasibility, through to design and build, and subsequent marine and risk assurance.

Clean shipping system design

Through expertise in electrical engineering, marine-based green technologies including hybrid-propulsion, fuel-cell and battery technology, combined with Longitude's IMT-OSD unit's long-term vessel design and engineering expertise, and group company Innosea's specialist capabilities in feasibility and analysis of marine renewables, we as a group are highly experienced in supporting with the detailed concept design, engineering, analysis and integration of clean shipping systems.

Marine emissions tracking

We bring an in-depth understanding of industry frameworks such as: The Poseidon Principles, The Sea Cargo Charter and Port Emissions Toolkit, combined with long-term expertise across different segments of the maritime industry.

We provide tailored consultancy and engineering solutions, which will aid clients in their understanding of their carbon and pollutant footprint, and help them in setting up a viable roadmap for future carbon-reduction and compliance with ESG commitments and industry frameworks.



The logo for emiTr, featuring the word 'emiTr' in a bold, blue, sans-serif font. The 'i' has a green dot above it, and the 'r' has a white outline.

emiTr is an ABL group digital tool, an easy-to-use inventory of the complex web of a port's emissions, mapping their both direct and indirect sources, developed by ABL group in collaboration with Shoreham Port – a UK Trust Port. emiTr gives ports and harbours the power to track emissions, calculate the cost and risk of their emissions, and facilitates the necessary data and information to put down a roadmap to take action against your emissions footprint.



OIL & GAS





With energy specialists across our network of global offices and our wider global footprint of specialist consultants across more than 300 locations, ABL Group has the market-leading technical expertise to support clients regardless of the project size, type, complexity, and anywhere in the world covering upstream, midstream, onshore and refining and petrochemical projects.

Through-life marine and engineering consulting for Oil & Gas projects

ABL Group provides services at every stage in the lifecycle of an oil and gas project. Between our group companies, we have the knowledge and experience to support right from the start at feasibility, early development and engineering, right through to marine warranty survey, operations and maintenance and end of life support with either life extension support or decommissioning.

Our clients come to us for a full range of services from surveys, inspections and audits to marine and engineering consulting, and engineering and design. We are the world number one provider of marine warranty survey for oil and gas projects, and also provide a world-leading support package for rig operations on a global scale.

World-leading in Oil & Gas MWS

Over the years we have acted as MWS on more than 1000 large energy infrastructure projects of all types, as well as thousands of other smaller marine operations.

Our work has included the world's leading energy insurers and underwriters, as well as oil and gas majors. We are also experienced in providing tailored solutions to smaller energy operators, EPCI companies, oil and gas field service and equipment companies, vessel owners / charterers etc.

Upstream

We provide far-reaching multi-disciplinary expertise supporting rigs throughout the lifecycle of an asset. We offer market-leading services supporting rig moves and rig inspections for rigs of all types and sizes, both onshore and offshore, and anywhere in the world with services including geotechnical engineering support, engineering consulting, MOU transportation MWS etc.

The ABL Group is the market leader in marine warranty survey ('MWS') on offshore T&I operations for upstream infrastructure, with a long track-record in providing technical support to some of the world's most high-profile and complex production platforms and floating infrastructures.

Midstream

ABL Group's oil and gas specialists have been at the forefront of offshore midstream development for over 20 years. Our teams of marine and engineering consultants include specialists in subsea pipeline engineering and SURF technology, with project experience covering some of the world's most high-profile and complex subsea pipeline installation projects, including NordStream 2, Turkstream, Trans-Anatolian ('TANAP') amongst others.

World-leaders in marine warranty survey for pipeline installation, we have an in-depth practical and theoretical understanding of key challenges in pipeline projects and provide comprehensive risk-mitigation strategy, we also offer a

range of other marine assurance and risk services, engineering and consulting, to support pipelay work at different projects stages, including with removal operations at decommissioning.

Our engineering and consulting experts from group company Longitude Engineering includes expertise in marine operations engineering, metocean and coastal engineering, advanced analysis and simulation, amongst other areas.

Natural gas is the fastest-growing fossil fuel at over 20% of the global energy mix, with the incentives it can offer as a 'transition' fuel as the lowest emitter of greenhouse gases compared to oil and coal. As a result, the demand for global LNG is projected to continue to grow.

ABL has stayed ahead of this market growth, by supporting as MWS on a number of the world's most significant LNG developments, including Ichthys, Gorgon, Yamal LNG and LNG Canada.

Drilling and Wells Engineering and Management

Add Energy, a group company, offers expert design, planning and management of all types of exploration, production, storage and disposal wells across the globe, as well as industry-leading well kill support and blowout contingency planning. Project experience includes the provision of dynamic simulations to the well kill of the Macondo Blowout in the Gulf of Mexico. Solutions include the patented Relief Well Injection Spool (RWIS) equipment, and our unique software OLGA® Well Kill.

Onshore

In recent years, very large construction projects are being executed with worldwide procurement strategies requiring significant marine transportation campaigns to bring high-value items such as modules, pre-assembled units (PAUs), vessels, equipment and other materials from their place of fabrication/ supply to the final site location.

Such projects include multiple loadout, transportation and offloading operations occurring simultaneously in multiple locations. With our far-reaching global footprint and effective centralised global management systems, we have provided seamless MWS, marine assurance and risk, and engineering and consulting services to support onshore projects since the 1980s.

Whilst a significant number of recent projects have been for the construction of LNG export facilities, we have also provided our services to petrochemical, mining and power projects, and for major civil infrastructure projects such as bridges, ports and harbour complexes.

As well as MWS, the wider ABL group offers a broad range of specialised capabilities in engineering and consulting, and marine assurance and risk, to provide all-round third-party support to a cargo transportation by sea or ocean, from early planning of the operation, right through to successful, safe and optimum delivery of the operation.

Refining & Petrochemical

ABL Group has a world-leading track record and trusted reputation amongst the insurance and underwriting markets, as marine warranty surveyor (MWS) on large-scale onshore projects and for project cargo. The development of refining and petrochemical plants more often than not would require sea and ocean transportation of critical and high-value modular assets from different global locations. ABL is well-placed to support with MWS and marine and engineering consulting for the de-risking of critical marine operations.



Decarbonisation and Hydrogen

The energy transition is accelerating and the ABL Group are leading in a number of areas, from exploring how offshore wind can help reduce the carbon intensity of offshore oil and gas assets to working with clients on proving the hydrogen value chain across all our markets.

Through our OWC unit, we have authored feasibility studies for owners of offshore oil and gas assets in the North Sea and undertaken work in preparation for the Scottish INTOG (Innovation and Targeted Oil and Gas) leasing round, a round to apply for the rights to construct offshore wind farms specifically for the purpose of providing low carbon electricity to power oil and gas installations and help to decarbonise the sector.

We also have an active and sought-after Hydrogen team that work across a number of areas, examples are:

- Hydrogen strategies and road maps for public, semi-public bodies, and large corporates such as OWC's work for the Asian Development Bank and INNOSEAs for the Offshore Hydrogen Analysis and Road Map for France project
- Owner's engineering by including engineering FEED review for Air Product's NEOM Green Hydrogen project in Saudi Arabia
- Design of the hydrogen fuel cell powered seagoing ferry, the HYSEAS III project for CMAL
- The development and design of a green hydrogen production and bunkering barge for mid-sized ports for the DFT and InnovateUK



Glen Rødland ⚡
Chair of the Board

Glen Rødland is an independent investor and is the chairperson and board member in Prosafe SE, Pascal Technologies, Deep Value Driller and ATDL AS, as well as ABL. He was a senior partner at HitecVision for four years, and for ten years was a partner and co-investor of Direct Active Investments in Fernclyff TIH AS. Mr Rødland has worked for 15 years with portfolio management, financial analysis, and investment banking for DNB (Vital) and Swedbank (formerly First Securities and Elcon Securities). In addition, Mr Rødland has also worked in the shipping company Jebsens and as a management consultant in PWC. He has MBA and Post Graduate studies in Finance from NHH and UCLA. Mr Rødland is a Norwegian citizen and resides in Bærum, Norway.



Rune Eng ⚡
Board member

Rune Eng has significant experience from his many years in the energy sector. His last position was Executive Vice President International of the TGS. He was previously CEO and President of Spectrum Geo Limited (subsequently sold to the TGS Group), a position he held for almost nine years. Mr. Eng has also held various roles at PGS ASA over a period more than 13 years as well as roles in Fugro, Digital Equipment Corporation A/S and GeoTeam Group. Mr. Eng holds a Bachelor of Science in Geophysics from the University of Oslo and a Master of Science in Geophysics from the University of Gothenburg. Mr Eng is a Norwegian citizen and resides in Oslo, Norway.



David Wells ⚡
Board member

David Wells, a Master Mariner, was a founding member of Aqualis Offshore (now ABL Group) and held the position of CEO until the end of 2021 and his retirement. Mr Wells has more than 30 years' experience in the offshore consultancy sector with a particular focus on offshore operations, MWS and marine consultancy. He is a specialist on jack-up rig move operations, location approvals and all aspects of rig moving. Prior to joining Aqualis Offshore, Mr Wells was a specialist consultant to the offshore market and previously held senior Global and Regional MD roles for a major leading global oil and gas consultancy. Mr Wells resides in London, UK.



Synne Syrrist ⚡
Board member

Synne Syrrist is an independent business consultant and has extensive experience as a non-executive director of both private and public companies. Ms Syrrist was previously a partner and financial analyst at First Securities. She currently serves on the board of several public companies, including Awilco LNG ASA, and Naxs AB. She holds an MSc from the Norwegian University of Science and Technology and is qualified as an authorised financial analyst at the Norwegian School of Economics and Business Administration. Ms Syrrist is a Norwegian citizen and resides in Oslo, Norway.



Yvonne L. Sandvold ⚡
Board member

Yvonne L. Sandvold is the founder and head of the board of YLS Næringseiendom AS. She has extensive experience in the Norwegian real estate industry and is the head of the board of Sandvold Holding AS, Siesand Invest AS and Octopus Eiendom AS. Ms. Sandvold currently serves on the board of several public and private companies, including Self Storage Group ASA and ABL Group ASA. She holds a cand. psychol degree from the university of Oslo, Norway and is a licenced psychologist. Ms. Sandvold is a Norwegian citizen and resides in Wollerau, Switzerland.



Reuben Segal ⚡
Chief Executive Officer

Reuben Segal has over 20 years' experience in the offshore and shipping sectors, covering both engineering design and ship surveying. He is a naval architect and has extensive recent global business development experience with a focus on design and construction of offshore oil and gas assets, including MODU and MOPU units from FEED through to yard delivery. He has held many senior executive roles in the industry, most recently COO of ABL Group. He holds a Master's degree in Engineering from the University of Newcastle. Mr Segal resides in Dubai, UAE.



Stuart Jackson ⚡
Chief Financial Officer

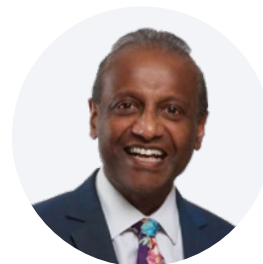
Stuart Jackson has over 35 years' experience in the global energy sector, covering exploration & production, power generation and offshore drilling & services. He has extensive experience in start-up/growth businesses but has also completed four financial and operational restructurings. His experience extends across private equity, family wealth, as well as OSE, NYSE, LSE, NASDAQ and AIM, listed businesses. Mr Jackson holds a BSc in Accounting & Financial Management and is a Fellow at the ICMA. Mr Jackson is a British citizen and resides in Dubai, United Arab Emirates.



Bader Diab ⚡
Chief Operating Officer

Dr Bader Diab is one of the founding members of the ABL group and currently holds the position of Chief Operating Officer. He has worked in the offshore energy industry for more than 30 years including postings in the UK, Middle East and United States. Bader has held senior management positions in several offshore and marine consultancies including a recent position of Regional Managing Director – Americas with the ABL Group.

Bader is a Civil / Structural engineer with experience in the global performance of offshore structures, including transportation and installation, and the design of MOUs. He is a registered professional engineer in the states of Texas and Alaska.



RV Ahilan ⚡
Chief Energy Transition Officer

Dr Ahilan is a Chartered Engineer with over 30 years' of industry experience, 25 years of which has been at board level. Previously he was CEO of LOC and has held leadership roles in DNV GL, GL Garrad Hassan and Noble Denton. With expertise in hydrodynamics, he has led projects which have set standards and safety factors in jack-up site assessment, mooring systems and marine transportation. He is an Advisory Board Member of WavEC Offshore Renewables and a Trustee of the charity Marine Technology Trust and was Non-Executive Director a vertical axis wind turbine company. He holds a BSc (Leeds) and MS (Caltech) in Civil Engineering, a PhD (Cantab) in Engineering Fluid Mechanics, an MBA (Imperial) and is a Fellow of the Royal Academy of Engineering.



Svein O. Staaen ⚡
General Counsel

Svein O. Staaen has over 20 years professional experience from law firms and in-house legal positions, with particular experience from maritime and energy industries. He holds a Master's of Law degree from the University of Oslo and a Diploma in English Commercial Law from the College of Law, London. Mr Staaen is a Norwegian citizen and resides in Bærum, Norway.



Will Cleverly ⚡
Chief Executive Officer, OWC

William Cleverly is CEO of OWC where he has a focus on organic and inorganic growth and he also acts as an Observer to the ABL Board. Will has worked in the offshore wind industry since 2008, at various leading consultancies before joining OWC in 2013. His expertise spans early stage development through to construction and installation, with a particular focus on site suitability, foundation package management, and geoscience. He has worked across Europe, Asia and the Americas in various key roles in over 50GW of offshore wind projects. Will has an undergraduate degree from the University of Cambridge, is a chartered engineer with the ICE, and has completed an Executive MBA in London – coming top of the year.

A WORD FROM OUR CEO

Another year and one of global crises and challenges in energy with implications in energy security and rising fuel costs among them. Both impacts have deep implications connected to the UN's Sustainability Development Goals (SDGs). As a company without assets, we make biggest impact by the work we do and how we deliver it, but our most material impact as an independent technical consultant supporting and enabling countries developing local energy supplies, and especially the realisation of low cost, local renewable energy, and reduce carbon emissions with work in carbon capture, use and storage (CCUS).

We successfully increased our impact on reducing emissions in the power sector through our involvement in over 225GW of renewable energy projects during 2022, in doing so supporting over 25 countries in working towards their climate related goals in terms of low cost, emission free, renewable energy deployment.

We have also continued to increase our impact in terms of supporting the decarbonisation of the maritime sector and the oil and gas sector, though these two areas are less mature for us currently than our work in renewables, we have sought to develop and add to our capabilities. One example was the acquisition of Add Energy in 2022 who bring hydrogen and CCUS expertise in areas we did not have before. We will continue this trend in 2023, both organically and inorganic as the opportunity arises.

At ABL Group we continue to recognise that for our business to be successful in the age of climate crisis and energy transition, we must redefine what we do in a genuine way to put sustainability at the centre of all strategy and operations.

In our 2019 Annual Report we presented a clear sustainability statement and vision. This was a statement of intent with 5 key principles to guide and drive our journey.

This has guided many of our activities and goals over the last 12 months, among them being:

- Continuing to increase the renewables, sustainability and energy transition revenues
- Supported the development and realisation of over 225GW of renewable energy capacity across over 25 countries around the globe
- Broadening our services to help clients decarbonise other sectors such as maritime and oil and gas
- Working to improve diversity and put a number of foundational policies in place including initiatives such as our new Shadow Board giving 'voice' to our younger colleagues
- We have committed to a significant training budget (>\$1m USD) and the necessary resources to streamline and make world class of our recruitment, onboarding, career development, and training processes.
- Supporting the community, focusing on aligned areas, consistent with our SDGs, with staff and company contribution and volunteering

This Sustainability Report will describe our actions to continually improve in areas related to Diversity, Equity and Inclusion (DE&I), the environment and governance. By including this in our Annual Report to shareholders, we also show our commitment to sharing this information with our stakeholders using our primary channels of communication as a key document in our Environmental, Social, and Governance ("ESG") reporting.



Reuben Segal ⚡ Chief Executive Officer

In accordance with best practice, we conducted a materiality assessment to identify issues around sustainability, economic, environmental and social conditions that are the most important to the company as an organisation, our staff and clients. The assessment provided the foundation for the group to decide which areas to prioritise, so identify areas where ABL Group could reduce its negative impact and make the greatest positive impact.

In 2020 we performed our first materiality assessment to explore our priorities on sustainability. We explored and evaluated the aspects of our business that have the biggest environmental, social and governance impact.

The seven materiality topics that we considered to have most impact on and the most importance to ABL Group and our stakeholders are:

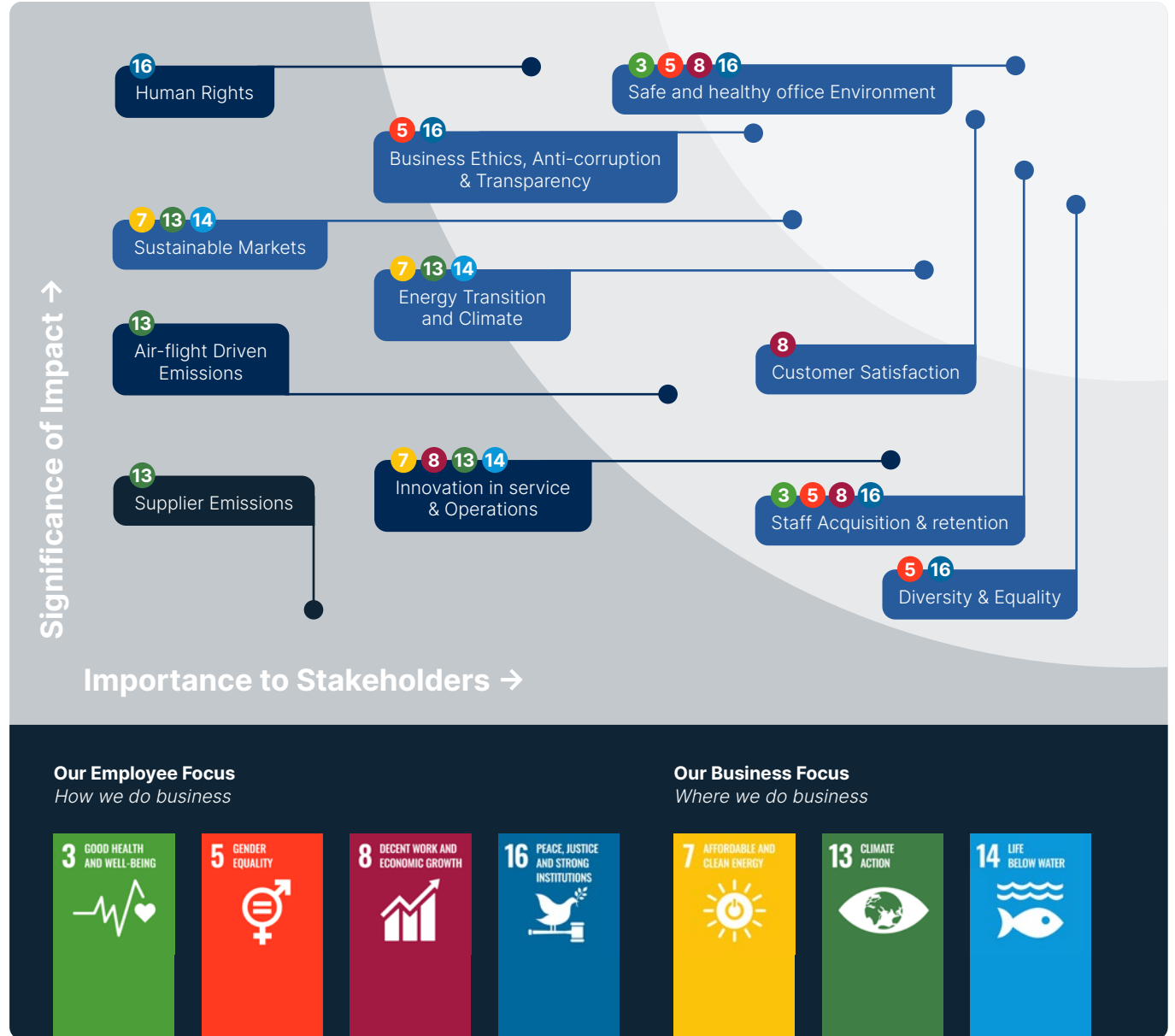
- Safe and healthy attendances
- Business ethics, anti-corruption, and transparency
- Staff acquisition and retention
- Customer satisfaction
- Diversity and equality
- Sustainable markets
- Energy Transition and climate

After our initial benchmarking materiality assessment, we consider these seven UN Social Development Goals (SDGs) have the highest importance to ABL Group and our stakeholders. We further grouped the SDGs we have key focus on into two groups:

- Employee focused, so **how we do business**
- Business focused, so **where we do business**

The Guiding purpose in this initiative is: *Energy and the oceans are at the centre of our business; the sustainability of both is vital for the future of our company and the world in which we operate and live.*

In 2022 we have further strengthened our internal ESG capabilities and maturity by formalising the ESG process. We have established a standalone ESG Department headed by ESG Director, reporting to CEO. This confirms the internal understanding of the ESG and its benefits by all key stakeholders and enables us to put in place set of processes and improvements. Understanding our ESG maturity was a key exercise to ensure that we are doing things in the right order. Furthermore, we have set up a number of ESG Committees with the aim to establish a unified view of ESG, increasing understanding of all three aspects, environmental, social and governance, and to promote robust standards of corporate governance that integrate all these aspects. This will help the ABL more effectively integrate ESG.



Diversity, Equity & Inclusion

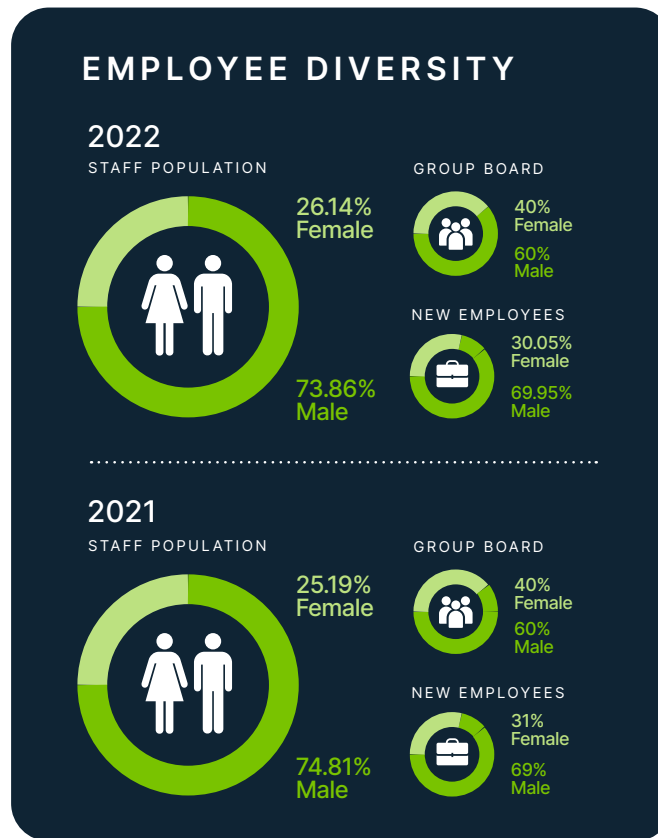
The diversity and inclusion of the people with whom we work with is at the heart of our operations. We are committed to equal opportunities and prohibit discrimination, harassment, forced, trafficked, and child labour. All of these policies form a part of our Code of Conduct, which is acknowledged and obeyed by our suppliers and subcontractors. We are committed to a workplace full of integrity, fostering and protecting a corporate environment that is inclusive, safe, and professional.

We do not limit people's opportunity to contribute or advance based on age, childcare responsibilities, disability, ethnicity, gender, gender expression, sexual orientation, religion, pregnancy, or other protected personal characteristics. OWC, part of the ABL Group, partnered with STEM Returners - based in Hampshire, UK, an organisation that sources candidates for the programme, which aims to return or transfer experienced engineers back into industry following a career break. The fully paid placements act as a 'returnship', allowing candidates to be re-integrated into an inclusive environment upon their return to STEM. The STEM Returners' programme aims to eliminate barriers, by giving candidates real work experience and mentoring during their placement, as well as helping them to seamlessly adjust to life back in work. Two successful candidates were offered full-time positions at OWC upon the completion of their 12-week placement.

We set up a Diversity, Inclusion and Wellness Committee with some clear goals of establishing high-level corporate leadership for gender equality, promoting education, training and professional development and promote equality through community initiatives and advocacy. Forming an ESG committee is a crucial step to get started on our ESG journey. Bringing in more than one person or department will help to deliver on our ESG goals ensuring staff can directly influence and impact the direction of the business. Senior Management confirms that committee has the authority over the effective operation of a company's ESG policy and has delegated responsibility for overseeing its implementation. The committee reviews data from across the business and then filters and summarises it for the board. The ESG committee is responsible for writing the ESG content in the company's annual report and producing all information relating to ESG disclosures. The committee sits directly beneath executive level in terms of seniority.

2022 saw significant changes internally at ABL with the set-up of the Shared Services department and expansion of People and HR function. This further confirms ABL's commitment to drive recruitment, training, and development of our staff. One of the key hires was a group-wide Learning and Development Manager to deliver the initiatives and support our Engineering Development Programme. Our value is our people, so we value our people.

It is a stated aim, at group board level, that the ABL Group is a desirable employer where people want to come to both start and develop their careers. We have committed to a significant training budget (>\$1m USD) and the necessary resources to streamline and make world class of our recruitment, onboarding, career development, and training processes. At the start of 2022, we agreed to deliver a number of leadership and management training programs with Hult/EF Business School which brings many exciting opportunities throughout the organisation, including an online learning and development portal for all employees covering a wide variety of on-demand courses and live online webinars customisable to all needs. Total number of 56 middle managers took part in the development training and 12 senior management team members have been enrolled on the leadership training.



Luany Dantas selected for the Women in Wind Global Leadership Program



Luany Dantas, Country Manager for OWC in Brazil, is one of the 15 women selected by Global Wind Energy Council (GWEC) and Global Women's Network for the Energy Transition (GWNENT) to participate in the Women in Wind Global Leadership Program.

The Women in Wind Global Leadership Program is designed to accelerate the careers of women in the wind industry, support their pathway to leadership positions and foster a global network of mentorship, knowledge-sharing and empowerment.

"We are delighted that Luany, who leads our offshore wind engagement for OWC in Brazil, was selected to participate in the Women in Wind Global Leadership Program", says William Cleverly head of ABL's offshore wind group company OWC. "At the ABL group, we believe that gender diversity drives innovation and provides a richer pool of talent of talent for key and emerging industries, so we offer equal work and career development opportunities for all."

With the number of applications doubling compared to last year and as wind power continues to grow into new and existing markets, it is imperative that all key players combine their efforts for diversity and inclusion to shape the energy workforce of the future, that will drive innovation and accelerate the energy transition.

In 2022, ABL has launched a mentorship scheme. The aims of the mentoring are to share knowledge and skills, motivate staff and help them develop by identifying professional development opportunities. The mentors act as role models exemplifying the ABL ethos, providing career guidance and advice and helping them expand their network of connections. Mentees are encouraged to prepare for mentoring meetings, be attentive and open to advice, and put their learning into practise in their day-to-day working life. We have 60 employees that applied for the programme.

The Ian Bonnon award, set up by our late founder and Chairman of OWC, an ABL Group company, was introduced to celebrate and encourage emerging young talent within the renewable part of the organisation. The award is presented annually to a young engineer, following nomination by their peers, to celebrate their commitment, achievements, and growth during their time at OWC. The award, presented by the Bonnon family, includes a trophy and a financial award donated from the Bonnon Family.

ABL has a structured performance appraisal system meaning all new employees receive feedback on their 1st, 2nd and 3rd (or 6th) month with the company. Every employee has a probationary period and employees are not being let go without a valid reason. ABL always follows employment law best practises by following the five reasons for fair dismissal (capability, illness, redundancy, summary dismissal, a statutory restriction, and any other substantial reason).

Employees who have resigned or have been made redundant are free to apply for new roles with the company and are eligible for rehire.

ABL Group, is in the process of calculating group wide pay to determine gender pay gaps with the aim to measure and so improve. ABL pay all of its employees above the living wage salary; interns receive at least the living wage rate per hour. ABL does not offer zero-hour contracts; it offers full-time, part-time, temporary, or permanent contracts of employment.

ABL is a modern company with flexible working practice that ensure a great balance between work and family life from the first day of employment for all employees. ABL provides flexible working arrangements (earlier start or later start of the working day to accommodate family commitments); hybrid working, part time working, and enhanced maternity, paternity pay. Work phones are also supplied to provide separation between personal and private life.

Increased focus on human rights

In July 2022, the Norwegian Transparency Act entered into law, requiring companies to conduct human rights due diligence assessments across all of their operations, supply chains and business partners. ABL Group strongly supports this significant legislative move. Please visit the ABL Group website for our report on the Norwegian Transparency Act.

Climate and Risk

Under sections 3-3a and 3-3c of the Norwegian Accounting Act, ABL Group is required to report on its corporate responsibility. ABL Group recognise that Health, Safety, and Environmental (HSE) matters are an integral part of its business performance and exemplary performance in the areas of HSE is essential to fulfil our vision and meet the expectations of our stakeholders.

Our ABL2030 guiding purpose, created, and re-committed to in our 2021 Annual Report and this one, is that energy and the oceans are at the centre of our business; the sustainability of both is vital for the future of our company and the world in which we operate and live. Our purpose not only makes environmental sustainability a responsibility for us in the way we do business, but also recognises that our business impacts the wider world and that we need to take responsibility for that too.

Identification and assessment of climate related risks

Though ABL Group are without any operating assets, we take our corporate risk management responsibilities very seriously and our Integrated Management System (IMS), which is certified by LRQA, is a robust and well adopted corporate risk process.

Note that HS&E risks and opportunities are covered separately under ABL-SOP-013 and associated HS&E Risks and Opportunities Registers.

ABL Group considers it to be fundamental good business and management practice to be able to identify, understand and take appropriate action on material climate and other environmental risks and opportunities to the business, this is pursued via our corporate risk management program and is independently audited as part of its EN ISO 14001:2015 certificate.

This process is outlined in our Management Systems in the 'Corporate Risk Governance' manual (ABL-MAN-002) and is overseen by the Corporate Risk Committee which includes our CEO, COO, General Counsel, and other senior management.

ABL GROUP CORPORATE RISK POLICY

ABL considers risk management to be fundamental to good management practice and a significant aspect of corporate governance.

The risk management process within ABL is vital to our ability to pursue our goals & objectives, commence and operate programs, perform duties in an efficient and professional manner and to the personal health and safety of employees.

The Executive Management of ABL has formed a risk management program to pursue our risk management goals and objectives. These goals and objectives include:

- a) Avoiding exposure to accidental loss by NOT undertaking functions, contracts, programs or activities where the potential loss is greater than the potential benefit to be derived from these undertakings.
- b) Preventing loss by identifying loss exposures and implementing policies and procedures to reduce the risk of these losses occurring.
- c) Controlling losses that do occur by:
 - Assisting and supporting injured parties.
 - Developing contingency plans for possible loss scenarios.
 - Proper documentation and investigation of losses.

The risk assessment provides a mechanism for identifying which risks represent opportunities and which represent potential pitfalls. Done right, a risk assessment gives ABL a clear view of variables to which the company may be exposed, whether internal or external, retrospective or forward-looking.

The robust process encompasses the following:

- Review the corporate risk management framework
- Ensure that risks facing the organisation are identified, evaluated, and adequately addressed
- Issue the corporate risk report on a quarterly basis and collate risks reported by regions and business lines.
- Drive and support the further improvement of the risk management process and provide business knowledge to the discussion of risks
- As part of the board oversight, in every board meeting there is an operational update from management, which includes an ESG update and so the related climate risks.

- d) Determining cost effective solutions for managing the risks in order to balance cost and risks.
- e) Raising the awareness of all directors, managers, employees and contractors concerning risk management within ABL

ABL will accomplish these goals and objectives by:

- a) Establishing a Risk Committee with representatives from key functions, whose responsibilities will be to implement, monitor, evaluate and revise plans to achieve our goals and objectives
- b) Nominate a Risk Coordinator to report to the risk committee.
- c) Include risk management as an item for discussion at both annual senior management review meetings and at regional management meetings.

ABL will regularly review and monitor the implementation and effectiveness of the risk management process, including the development of an appropriate risk management culture within ABL

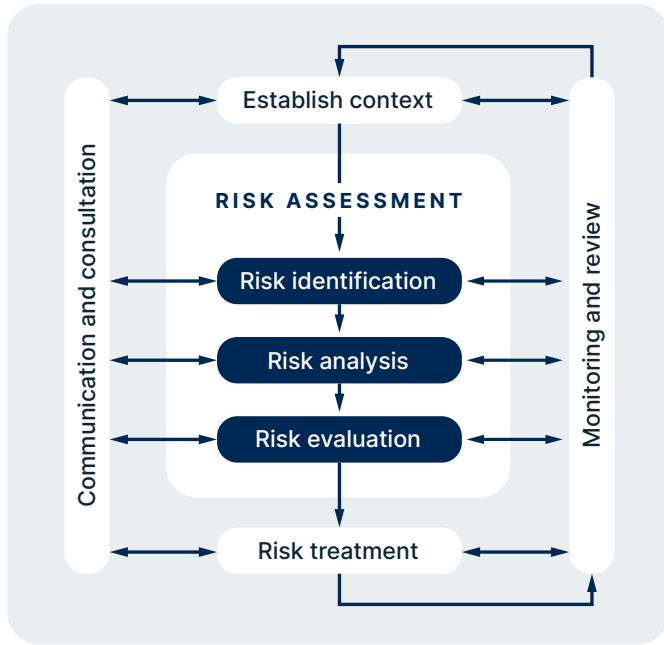


Figure 1: Risk management Process based on ISO 31000

Our Risk Management Process Flow is presented in Figure 1 above.

We identified 'Climate change and environmental sustainability' as a material business risk and this has resulted in a range of strategic and operational actions to reduce the this risk to ABL Group's business and to reduce any negative impact to climate change drivers, but also use our business activities to make a positive impact on UN Global Compact SDGs. A summary is presented in Table 1.

Our ABL2030 ESG strategy includes two guiding principles that put climate sustainability at the core of our business:

- Principle 4. Work towards a company-wide net zero carbon target to stay ahead of our markets & contribute to a net-zero world
- Principle 5. Continue to grow, innovate & develop new services to both accelerate & de-risk the energy transition & create business value

Being a relatively small business - with mainly staff in offices - our carbon footprint will not be material. Our biggest material positive impact will be by growing our support of the deployment of low-cost renewable energy across the globe and the continued support of our client's decarbonisation in the maritime and oil and

gas sector. Our work identifies constructable projects and supports developers and investors in realising those projects.

In support to Principle 4, in 2022, we have completed the implementation and accreditation of a group-wide environmental management system according to EN ISO 14001:2015. Our environmental management system is designed and specifically structured to cover environmental aspects that ABL Group can control and directly manage, and those it does not control or directly manage but on which it can be expected to have an influence.

This did not move on as fast as we had hoped, but we do have a 'pilot', initiated by staff in our French renewable energy technical advisory business, so we can understand processes and decisions needed to be able to measure and track our carbon emissions. See Innosea case study on page 27.

Realising Principal 5 allows ABL Group to make two material impacts:

1. We increase our exposure as a business to the renewables and energy transition sector, and so less to the oil and gas sector, reducing a business risk incrementally as the transition progresses.

2. Our work on realising low cost renewable energy capacity around the globe, we positively impact the UN's SDG No 7 and 13.

- Our achievements in increasing revenues from renewables and sustainability-driven services we accomplished:
- Achieved 17% revenue growth (2021 v 2022) in renewables bringing renewables share from 27% to 29% (2021 v2022) of group revenues
- Worked on over 131 wind projects, mainly offshore wind with a total potential capacity of 224 GW which would potentially displace 784 Mt CO2 of unabated coal, or 358 Mt CO2 of unabated gas depending on the electricity mix of the specific marke
- Supported over renewable energy projects in 26 countries; including many developing countries
- Working on numerous green hydrogen projects and work related to decarbonising the maritime sector which accounts for 6% of global emissions

CLIMATE CHANGE RISK	
RISK / OPPORTUNITY ORIGIN	<ul style="list-style-type: none"> • Climate change and environmental sustainability
RISK DESCRIPTION	<ul style="list-style-type: none"> • Reducing offshore oil and gas market over the medium to long-term due to the energy transition driven by Paris Climate Agreement • Overexposure to clients with negative ESG profiles such as oil and gas • Market pressure to measure and improve our own ESG performance
POSSIBLE IMPACT	<ul style="list-style-type: none"> • Loss of investor confidence and so reduced share performance • Reduce attractiveness as a place to work for younger more value driven staff • Reduction of oil and gas opportunities over medium to long-term as market shrinks, with additional competitive pressures impacting pricing
COUNTER MEASURES	<ul style="list-style-type: none"> • Establishment our ABL2030 ESG strategy • Accreditation of our operations to BS EN ISO 14001:2015 • Diversification into more sustainable market segments such as offshore wind, onshore renewables and maritime sectors such as insurance, adjusting, shipping, expert witness, Yachts, and Ports and Harbours • The creation of the position of Chief Energy Transition Officer on our executive team • Targeting 50% of our group revenues from renewables and other energy transition or sustainability-driven revenues by 2025

Table 1: Climate Change Risk Excerpt from Corporate Risk Register

We are delighted to have worked on an ever-increasing number of renewable energy and other energy transition projects and initiatives. Our biggest positive impact to our chosen SDGs 17, 13, and 14 are delivered in the work we do. Below are some of our projects in 2022.



Lender's technical adviser to UK BESS portfolio

Battery storage technologies (BESS) are essential to speeding up the replacement of fossil fuels with renewable energy. They play an increasingly pivotal role between supply and demand as we scale renewables, the sector is forecast to grow 15 times by 2030*

We were appointed by Fotowatio Renewable Ventures (FRV) to provide lender's technical advisory services with respect to the debt financing by Natixis Corporate & Investment Banking, of a portfolio of BESS projects in the UK. Our scope is:

- Phase 1: a full technical due diligence incl. a desktop review of the sites, a review of plant designs, contracts, the operational concepts and route-to-market, as well as grid connections, planning approvals and a review of the financial model.
- Phase 2: incl. construction and operational monitoring, including the certification of key project milestones.

"ABL Group has strong expertise in the battery energy storage space, and we are delighted to support FRV and Natixis for these exciting projects. There have not been many debt finance deals in the BESS arena so far, and we see huge potential for this to increase in coming years as confidence levels around storage race forwards."

—Aimee Besant, Energy Storage Lead, ABL Group



Blue Gem Wind appoints OWC to Valorous floating wind project

In 2022 OWC, an ABL Group company, started work on Blue Gem Wind, the joint venture between TotalEnergies and Simply Blue Group as owner's engineer for the pre-FEED of the Valorous floating offshore wind project located in the Celtic Sea.

OWC's scope of work is to deliver owner's engineering services for the pre-lease engineering and consenting scope for the Valorous floating offshore wind project. The intent of this scope of work is to complete the required work packages and deliverables necessary for the project to submit a successful lease application to UK's The Crown Estate as part of the upcoming Celtic Sea leasing round and prepare the project for pre-FEED.

The Valorous project is a proposed early-commercial project, that follows the 100 MW demonstration project Erebus, which OWC has supported as owner's engineer for over two years.

Valorous is located approximately 47 kilometres southwest of the Pembrokeshire coastline, with approximate water depths of 70 – 84 metres at the offshore array area and is estimated to feature up to 27 wind turbine generators (WTGs), as well as the associated floating platforms and mooring infrastructure and a single offshore substation.

Following the UK government announcement in October 2020, there is now a target to deliver a total of 5 GW of floating offshore wind energy by 2030. To meet this target, sites previously considered less desirable by fixed projects due to water depths are now of interest for development to the floating market.



Assessment of 2 GW of renewable energy in South Africa

South Africa has endured power cuts for years, but 2022 saw more than twice as many blackouts as any other year, as aging coal-fired power plants broke down and state-owned power utility Eskom struggled to find the money to buy diesel for emergency generators. The consenting and construction of new renewable energy infrastructure is vital for the economy and to meet emission targets.

ABL Group was contracted by various developers in South Africa to provide energy yield assessment for more than 2 GW of potential solar and wind power plants.

- Over 1.5 GW of the energy yield assessment work is related to nine potential solar PV developments
- 0.5 GW for two potential onshore wind farms

Our services are being provided as part of technical due diligence into the proposed sites, to be submitted to the South African Renewable Energy Independent Power Producer Procurement Programme (REIPPPP) .

If the bids are successful, they will proceed to financial close, followed by the construction phase.



Supporting the NEOM Green Hydrogen Company

Longitude Engineering, ABL Group's engineering, advisory, and design arm, has been awarded a contract to provide engineering support to Air Products on the NEOM green hydrogen project in Saudi Arabia.

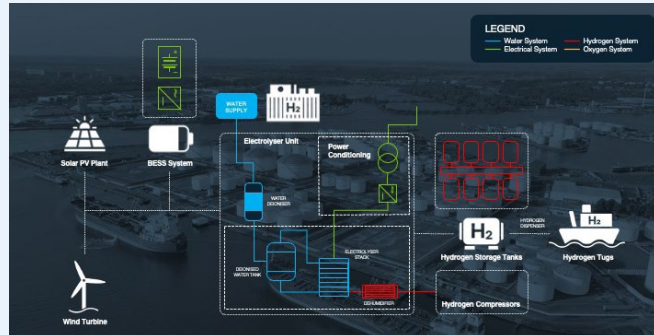
The NEOM Green Hydrogen Company (NGHC) aims to build the world's largest green hydrogen production facility from local onshore wind and solar power, which will then be exported globally by Air Products, one of the company's three shareholders, as green ammonia. The green ammonia will be converted back into green hydrogen to fuel the transport sector. The company is located in the NEOM region of Saudi Arabia.

Longitude was appointed by Air Products Ltd. – the primary EPC contractor – to provide engineering support on the export jetty and the interface between ammonia tankers and the jetty to ensure that the design meets project requirements.

The scope of work includes engineering review of FEED design, pre-EPC risk review to minimize cost, schedule, and safety risks, EPC tendering support, EPC tender review, and support during detailed design and construction of the export jetty.

“This project is at the cutting edge of the energy transition. It will harness the carbon-free energy generated from abundant local wind and solar resources to generate hydrogen via electrolysis, which will then be transformed into ammonia for global distribution. Green hydrogen is recognised as key to global decarbonisation efforts. The NEOM Green Hydrogen Company is truly the first to move into making green hydrogen generation at big scale a reality, and we are delighted to play a role in this pioneering undertaking.”

—David Bignold, Managing Director at Longitude Engineering



Feasibility study for the decarbonisation of tugs in tanker operations

Egypt has committed to adopt an ambitious 2050 long-term strategy, with a view to explore a net-zero greenhouse gas emissions target and kick-start the development of green hydrogen. The government also has plans to enhance its Nationally Determined Contribution by quadrupling its installed #renewables capacity share to 42% by 2030.

ABL Group delivered a feasibility study on behalf of Egyptian General Petroleum Consortium on decarbonising Egypt's tug boats.

View the study here: <https://youtu.be/zkX9O366GUJ>

The ABL Group have delivered on more energy transition projects, whether developing low-cost renewable energy projects, supporting the maritime sector to decarbonise, or supporting the decommissioning and decarbonisation of assets and operations respectively in the oil and gas sector in 2022 than ever before.

Owner's engineer for 400 MW SouthWest Phase II wind farm project in Korea

Saman Corp. contracted OWC, an ABL Group company for the Korea Offshore Wind Power SouthWest Phase II offshore wind farm project. The project is a 400MW project at Buan-gun, South Korea. This project is a follow-up project to the 60MW pilot project that has already been established in Buan-gun, and it will be completed in 2026. The construction cost is about 2.4trillion won (KRW). It is evaluated as the largest project in the Korean renewable energy industry along with the large-scale offshore wind power project in Sinan-gun, Jeollanam-do.

Under the contract, Saman and OWC will deliver owners' engineering services including review of site conditions; contract support for detail engineering, EPC contract, O&M, supervision, marine warranty services and other contracts; review and approval of engineering reports; support the license approval process; and provide broad technical advisory services.



Decommissioning oil and gas portfolio

Spirit Energy Production (UK) Ltd. Engaged the ABL Group to provide marine warranty survey (MWS) and marine consultancy services for the operator's decommissioning portfolio in the southern North Sea and the Irish Sea.

Spirit Energy contracted ABL's Aberdeen operation on a three-year contract to provide the marine warranty scope for the operator's decommissioning campaigns.

Under the scope of work, ABL will provide MWS services for decommissioning operations involving the removal of topside, and jackets for the following three offshore oil and gas platforms: Audrey A & B, and Ensign.

“ABL has considerable experience in supporting clients with the safe, efficient and optimised decommissioning of their oil and gas assets. Our long history in the sector, combined with our participation in a number of industry firsts within decommissioning, gives us unique insight into the range of challenges which can impact these complex marine operations.”

—Ashley Perrett, ABL Scotland Country Manager

ABL's MWS scope of work includes technical document and procedural review, on-site attendance and marine consultancy support for offshore operations during the campaign. Suitability surveying of the proposed fleet for the campaign is also part of the scope.

Quality, Health, Safety, and Environmental

ABL Group provides broad consultancy services to the Energy and Maritime sectors. In the capacity of a consultancy firm, ABL Group members may provide advice and recommendations to the Client or the Site representatives about the technical environmental aspects or issue and /or the site-specific HSE implementation, however, the Client Management is responsible for directly managing and maintain the workplace. Our Environmental Manual describes roles and responsibilities that ABL places on all employees and subcontractors in order to minimise the impact and to ensure the best available practices are established and adopted. All new hires are given induction training that describes the environmental issues and risks applicable to their role, this is then reviewed annually and communicated to the staff via QHSE consultation and participation methods such as QHSE Committee, Staff Briefings, Team Meetings, Internal Bulletins, and Flashes and Internal SharePoint Site.

In 2022 we continued measuring out environmental impact in the offices – operating under one management system allowed us to establish a base line for future reference.

ABL Group conducts its business in a manner that prevents harm to people, the environment, or assets. We are committed to creating a work culture where the prevention of harm is a priority for everyone.

In April 2021, we established a company-wide Integrated Quality, Health, Safety, and Environmental management system ensuring consistent processes and systems within the ABL group. Our Integrated Management System Manual is a comprehensive document establishing processes and policies required to fulfill our legal requirements, client expectations, and most importantly to ensure the health and wellbeing of our employees. Further, Rigorous procedures have been established to identify and manage HSSE risks, Business, Contractual and Legal risks and capitalise on opportunities.

Our Management System was subject to a Global external certification audit by LRQA in November 2022. The outcome was quite positive and ABL has been certified to ISO 9001: 2015, ISO 14001: 2015, and ISO 45001: 2018.

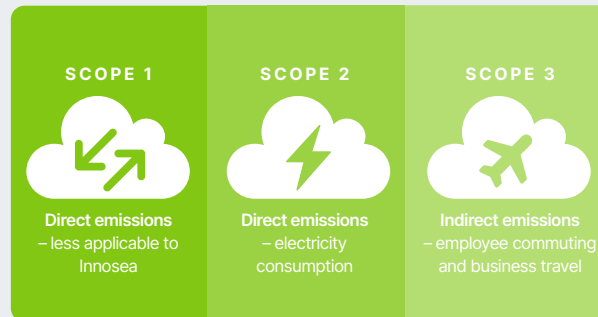
ABL Group Combined Health, Safety and Environmental Statistics for 2022 can be found in the Table on page 29.

INNOSEA'S CARBON INVENTORY INITIATIVE

Innosea is a marine energies engineering consultancy which is part of ABL Group company OWC. They are primarily based in France and the team started a project to measure, track and reduce their carbon footprint. It is the first of its kind in the ABL Group and has learnt a number of lessons that will be important for a future group project.

Their ESG steering group and carbon inventory were set up in response to French legislation that requires companies of more than 500 people to report on their carbon footprint. Despite Innosea coming under the 500-employee threshold, the company took the decision to invest time and resource in taking its own climate action.

The carbon inventory was developed to measure greenhouse gas (GHG) emissions starting in 2019, split into 3 scopes:



INNOSEA'S ESG Steering Committee

It gathers relevant data from Innosea offices pertaining to travel and electricity and calculates the offices' emissions footprint based on researched and defined emissions factors.

Once the data has been collected and calculations have been performed, the results can be collated and used for annual comparisons as well as to determine relevant key performance indicators (KPIs) on emissions reduction for the year ahead.



What we can see so far

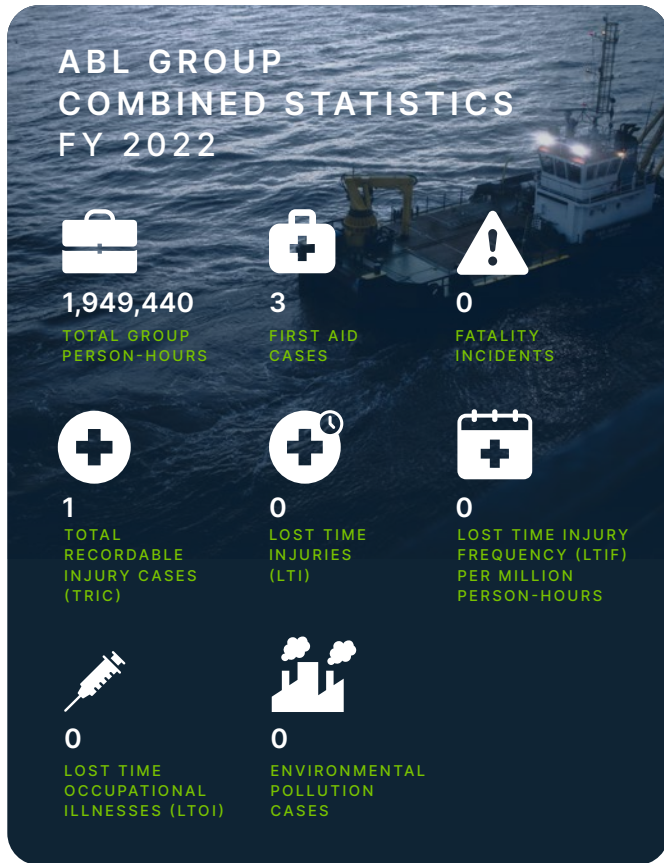
The following conclusions, among others, can be reached from the 3-year data collection so far:

- Commuting by car and business travel by airplane pose the biggest challenge to Innosea's carbon footprint
- Covid-19 would have significantly reduced business travel and commuting compared to 2021
- On a positive note, despite Innosea's workforce growing by almost 50% between 2019 and 2021, electricity consumption by employees decreased, reflecting an improved energy efficiency among colleagues

What's next?

Based on the results, Innosea has identified the following key targets for emissions reduction, which will be monitored, reviewed and are subject to change:

- Decrease total emissions produced by business travel by 30% by January 2024
- Decrease commute emissions per employee by 15% based on 2019 levels by January 2023, and 30 % by 2025
- Keep total electricity emissions constant based on 2019 levels until January 2023



ABL is committed to prevention of all types of incidents, protecting people, the environment and customer property and conducting its business legitimately, ethically and in a socially responsible manner. It is an expectation of ABL that all members maintain and continuously improve a positive Safety culture commensurate with the quality, health, safety, environment and security significance of company operations and the nature and complexity of their department and functions. ABL regards its moral, legal and financial responsibility for providing a safe, healthy and secure environment for its members, as its high priority. ABL is committed to maintaining the QHSE information system to collect, analyse and disseminate information from incidents and near misses, as well as regular internal and external audit/assessment on our safety management system.

ABL will also utilize industry wide information such as IMCA regular safety bulletins. In 2022 we have introduced a Safety Culture Initiative emphasising out culture of trust so that all member is encouraged and even praised to provide essential safety related information and to ensure that everyone within the ABL and our subcontractors understands what acceptable safety behaviour is. ABL is willing and maintains the competence required to draw the right conclusions from its QHSE system and prepared to implement change and reform when it is required whether through new policies and process, changes to operations and/or working arrangements.

Our HELP Card system rolled out end of 2021 exceeded the expectations with staff regularly using and contributing to the improvement of the system.

Anti-corruption

The Board of Directors has approved and implemented corporate governance principles endorsing and complying with the Norwegian Accounting Act (§ 3-3b) and the Norwegian Code of Practice for Corporate Governance (Code of Practice) issued by the Norwegian Corporate Governance Board.

ABL Group is committed to conducting its business in a manner that adheres to the highest industry standards and strictly in accordance with applicable laws and regulations in the regions and countries where we operate.

The Group advocates high standards of honesty, integrity, and ethical behaviour in its daily business and expects all representatives of ABL Group to conduct their daily business in a safe, fair, honest, respectful, and ethical manner.

ABL Group has a corporate compliance officer, employees are provided training on compliance and are instructed to report suspected violations of the Group's code.

All staff must complete e-learning modules that support our policies. Our goal is continuous improvement, and we are focusing on improving anti-corruption monitoring and reporting.

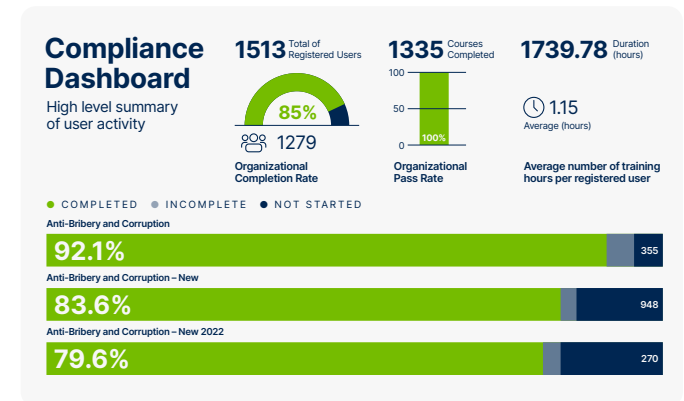
In 2022, each employee spent on average 1.15 hrs on training. Our anti-bribery and corruption training completion was at 85%, which is an improvement from 2021.

In line with the ABL Group Training Matrix, all new starters are signed up for Anti Bribery & Corruption Compliance and Cyber Security training with immediate effect following the appointment, and refreshers are conducted every 3 years.

The ABL Way of Doing Business - Corporate Code of Ethics and Business Conduct sets out the basic rules and standards of behaviour expected on matters that are important to our company and to conduct our business in an ethical and

compliant manner in accordance with our values. This handbook is also shared with our freelancers via the freelancer QHSE Package. Both staff and contractors must acknowledge the reading and understanding of the requirements. The Code of Conduct gives general instructions on employees' responsibilities in preventing bribery and corruption in business dealings, including reporting suspected Violations.

The Code of Conduct is further supported by our internal SOP18 on Regulatory Compliance. This focuses further on our compliance requirements with international laws, including sanction laws described in SOP15.




Our Code of Conduct states that our staff has the option to report to their Line Manager, our General Counsel or Group Operations Director. We have recently created and published a Whistleblowing Policy that supports all grievances or suspected wrongdoing instances. This includes bribery, fraud or other criminal activity, miscarriages of justice, health and safety risks, damage to the environment, issues in the workplace, and/or any breach of legal or professional obligations. This policy covers all employees, officers, consultants, freelancers, contractors, work experience or internship workers, volunteers, casual workers, and agency workers of ABL Group. We stress confidentiality will be protected where appropriate and that we will not penalise or discriminate against anyone who provides information to the company relating to what they believe is corrupt or unethical practices.

Regarding taxation, our policy is one of full compliance with all relevant domestic and international laws, rules, and regulations. Management of our tax affairs is also consistent with our ethics policy and code of business conduct, which are built around fairness, openness, and honesty. As a listed company we must also demonstrate full compliance in these areas.

DEVELOPMENT OF CSR INITIATIVES (CORPORATE SOCIAL RESPONSIBILITY)



 The Neptune Declaration on Seafarer Wellbeing and Crew Change

In recognition that our guiding purpose is that the sustainability of the world in which we operate and live is vital for the future of the company, we report here in the continued development of our group-wide CRS programme. This programme encourages colleagues to take time out of their working day to engage in charitable and social initiatives.

Last year we selected initiatives, which each touched on a number of topics driven by the UNGC and that intertwine with the SDGs, namely human rights, health and safety on attendance, and energy transition & climate goals. Furthermore, they promoted our SDGs among individuals in the company and created a space for colleagues to engage in a positive way with the communities and sectors in which we work and live. The activities also brought teams closer together in a non-work environment, encouraging a positive and meaningful culture.


Here is a summary of some of our activity:

ABL Group becomes a signatory of the Neptune Declaration

ABL Group was proud to join more than 850 organisations as a signatory of the Global Maritime Forum's [Neptune Declaration on Seafarer Wellbeing](#).

ACTIONS

- #1 Give seafarers key worker status, giving them priority access to COVID-19 vaccines
- #2 Establish and implement gold standard health protocols based on existing best practice
- #3 Increase collaboration between ship operators and charterers to facilitate crew changes
- #4 Ensure air connectivity between key maritime hubs for seafarers



We have a shared responsibility to resolve the crew change crisis. Join us.

The Neptune Declaration on Seafarer Wellbeing and Crew Change

The initiative was set up in response to the pandemic's adverse impacts on seafarer safety and wellbeing, namely the crew change crisis and challenges in vaccinating seafarers. It calls for signatories to promote 4x main actions, as communicated in our graphic.

Recognising that many of our own staff come from seafaring backgrounds, as well as the risk to both human and operational safety at sea, posed by the crew change crisis, we felt compelled to become a signatory in April 2021. Since then...

- We continue to promote the Neptune Declaration and our support for this initiative, at all relevant maritime events incl. monthly maritime market briefings
- We report intermittent news as we receive it on the declaration, on our corporate LinkedIn page

We hope that our vocal support for this initiative, has encouraged others in the industry to become signatories as well.

Support for The Mission to Seafarers

In connection to the above, we announced our group-wide support for the important work of the Mission to Seafarers (MtS) in May 2021.

The Mission to Seafarers is a global charity, which provides practical, emotional and pastoral support to seafarers and their families via a network of over 200 ports worldwide.

In promoting our support for MtS, Group CEO at the time, David Wells commented:

"This is a charity which resonates with us given a large portion of our staff come from seafaring backgrounds themselves. We recognise the vital role MtS plays in providing practical, emotional and pastoral care to men and women working at sea – particularly in these times following the vast impact of the pandemic on shipping communities."



Many of our colleagues across the group support MtS in their own ways as ambassadors, or in delivering supplies to ports, as well as engaging in various charitable functions across the regions (ref. picture above to MtS' annual Golf Tournament, Dubai).



OSCAR Dragon Boat Race

In September 2022, ABL took part in the OSCAR Dragon Boat Race on the River Thames, raising money for Great Ormond Street Hospital Children's Charity.

25 companies from the shipping industry too part, with the top six teams battling it out in a final.

ABL London raised a total of **£2,328** for the OSCAR Campaign.

OWC engages with Business Volunteers

OWC engaged with a professional partner in sourcing and managing CSR volunteer days, called Business Volunteers.

Through this partnership, Business Volunteers paired the OWC London office up with a number of activity days over the course of last year, which were relevant to OWC's commitment to driving a more sustainable and cleaner environment. Some examples are:

- In July 2022, OWC donated a significant number of laptops to the CEO Charity, educating young people aged 13-25 on the diverse range of jobs available within the construction and engineering industry.
- OWC London sent volunteers to Dexter's Adventure Playground, a charity working with vulnerable young people in Brixton, to assist in transforming their space from a derelict park into a colourful picnic area for families.
- Staff spent day of their time at the Felix Project in East London, preparing 3500 meals for people suffering food poverty.

Some comments from colleagues who took part:

"Training and supporting the next generation of engineers is right at the heart of what we do at OWC. We look forward to hearing about the success of the CEO students in the years to come!"

– Katherine Phillips

"It was hugely rewarding to see the difference we all made to the site in a day by working together,"

– Aimee Besant



CSR in 2023

At ABL Group, we actively pursue a diverse CSR programme, supporting a number of initiatives in order to foster a happy, social and positive workplace culture for our colleagues, and to make a difference in our society and environment. We are committed to becoming a sustainable company not only in our business world, but also for the communities and countries in which we work and live.



Corporate Governance regulates the relationship between the Group's management, its Board of Directors and the shareholders of ABL Group ASA (the "Company").

The Company believes that good corporate governance is an important component of sustainable business conduct and long-term value creation.

1. Implementation and reporting of Corporate Governance

In accordance with the Norwegian Code of Practice for Corporate Governance (NCPCG), the Board of Directors of the Company has prepared a Corporate Governance policy document. ABL Group ASA aspires to follow the NCPCG as closely as possible. Through its Board and management, the Company conducts a review and evaluation of its principles for corporate governance on an annual basis.

The Company's compliance with the Code is detailed in this report and section numbers refer to the Code's articles. The Company's Corporate Governance guidelines are published in full at the Company's website.

2. Business

The Company is a Norwegian public company that offers marine, offshore and renewables consultancy services to the energy, shipping and insurance industries.

The Group's strategy is to offer its specialist consultancy services through a growing network of global offices.

The scope of the Company's business is defined in its Articles of Association, published on the Company's website. The Company's objectives and strategies are presented in the Board of Directors' report.

3. Equity and dividends

Equity

The Company's consolidated shareholder's equity at 31 December 2022 was USD 68.4 millions, representing an equity ratio of 54%. The Board aims to maintain an equity ratio that remains satisfactory in light of the Company's goals, strategy and risk profile.

Shares and share capital

At the end of 2022 the Company had 104,769,862 ordinary shares outstanding with a par value of NOK 0.10 per share (see note [xx] to the Financial Statements). The Company has one share class, and each share carries one vote. At 31 December 2022, the Company had 2,009 shareholders, and foreign registered shareholders held 16.8% of the shares of the Company.

Increases in share capital

The Board will only propose increases in the share capital when this is beneficial over the long term for the shareholders of the Company.

The Board has authorisation to increase the share capital in the Company as approved by the shareholders and publicly registered in the Norwegian Register of Business Enterprises (Brønnøysund), both a general authorization and an authorization to be utilized in connection with the employee incentive program. The Company has further issued warrants as also registered in the Norwegian Register of Business Enterprises (Brønnøysund). The Board has authorisation to purchase the Company's own shares, limited to 10% of the total shares outstanding.

Dividend policy

The Company's intention is to pay a semi-annual dividend in support of its objective to maximise capital efficiency. The majority of the Company's free cash flow is intended to be distributed, subject to maintaining a robust cash buffer to satisfy commitments and support working capital requirements, planned capital expenditure, growth opportunities, and uncertain future market prospects.

In addition to paying a cash dividend, the Company may buy back its own shares as part of its plan to distribute capital to shareholders.

4. Equal treatment of shareholders and transactions with close associates

The Company has only one class of shares and there are no voting restrictions. Any potential purchase of own shares shall be carried out via a stock exchange at market prices.

Where the Board resolves to carry out an increase in share capital on the basis of an authority given to the Board, and waive the pre-emption rights of existing shareholders, the justification will be publicly disclosed in connection with the increase in share capital.

Transactions with related parties shall be at arm's length and at fair value which, in the absence of any other pertinent factors, shall be at market value. All material transactions with related parties shall be valued by an independent third party, unless assessed and resolved upon by the General Meeting. Transactions with related parties are described in note 21 to the Financial Statements.

5. Freely negotiable shares

There are no limitations on trading of shares and voting rights in the Company and each share gives the right to one vote at the Company's General Meeting.

6. General Meeting

The General Meeting is the Company's supreme body and elects the members of the Board.

The call for the General Meeting

The Company observes the minimum notice period set out in the Norwegian Public Limited Companies Act, i.e. providing 21 days' notice. The call for the General Meeting is issued in writing via mail, or electronically through VPS, to all shareholders with registered addresses. Transmitted with the summons are documents, which have sufficient detail for the shareholders to take a position on all the cases to be considered. However, documents relating to matters which shall be considered at a general meeting need not be sent to the shareholders if the documents have been made available to the shareholders on the Company's website. The summons also addresses the shareholder's right to propose resolutions to the matters to be resolved upon at the General Meeting, and gives information regarding the required steps necessary to exercise the shareholder's rights. The summons and the said documents are made available on the Company's website at least 21 days prior to the relevant General Meeting.

Voting at the General Meeting

Any shareholder is entitled to vote at the General Meeting, and to cast a vote, a shareholder must attend or give a proxy to someone who is attending. The proxy form will be distributed with the summons to the General Meeting. A proxy will only be accepted if submitted by mail, fax, or e-mail (provided the proxy is a scanned document with signature), or registered directly through VPS. For shareholders who cannot attend the General Meeting, the Board will nominate the Chair and/or the CEO to vote on behalf of shareholders as their proxy. To the extent possible, the Company uses a form for the appointment of a proxy, which allows separate voting instructions to be given for each matter to be considered by the meeting and for each of the candidates nominated for election.

The attendance at the General Meeting

The Board and the management of the Company seek to facilitate the largest possible attendance at the General Meeting. The Chair of the Board and the Company's Auditor will always attend the General Meeting. Other members of the Board and the Nomination Committee will also attend whenever practical.

Chair of the meeting and minutes

The Chair of the Board, or another person nominated by the Board, will declare the General Meeting open. Considering the Company's organisation and shareholder structure the Company considers it unnecessary to appoint an independent chair for the General Meeting, and this task will for practical purposes normally be performed by the Chair of the Board.

7. Nomination Committee

The Nomination Committee is elected by the General Meeting, including its Chair. The members of the Nomination Committee should be selected to ensure there is a broad representation of shareholders' interests.

The Nomination Committee's task is to propose candidates for election to the Board of Directors and to suggest remuneration for the Board. The recommendations shall be justified. The Nomination Committee currently consists of two members, who shall be shareholders or representatives of the shareholders, and no more than one member of the Nomination Committee shall be a member of the Board. Further information on the duties of the Nomination Committee can be found in the Instructions to the Nomination Committee, which has been approved by the General Meeting and made available on the Company's website.

The Company is not aware of the existence of any agreements or business partnerships between the Company and any third parties in which members of its Nomination Committee have direct or indirect interests. The Nomination Committee's composition is designed to maintain its independence from the Company's administration.

The Nomination Committee currently consists of the following members:

- **Bjørn Stray, Chair (up for election in 2024)**
- **Lars Løken (up for election in 2024)**

Further information on the membership is available on the Company's webpage.

8. The Board of Directors – composition and independence

The Chair and the other members of the Board are elected for a period of two years at a time and currently comprises five members. All members of the Board may be re-elected for periods of up to two years at a time.

The Chair of the Board, Glen Rødland, owns approx. 14.2% of shares in the Company, through Gross Management AS which is controlled by Mr Rødland.

In electing members to the Board, it is emphasised that the Board has the required competence to independently evaluate the cases presented by the Executive Management as well as the Company's operations. It is considered important that the Board functions well as a body of colleagues.

The female representation among Board members is 40%.

The current composition of the Board, including Board members' shareholding in the Company per 31 December 2022 is detailed below.

9. The work of the Board

The Board's work follows an annual plan and it conducts an annual self-evaluation of its performance and expertise, which is made available to the Nomination Committee. The annual plan is devised after each Annual General Meeting, and includes the number of meetings to be held and specific tasks to be handled at the meetings. Typical tasks that are handled by the Board during the year include an annual strategic review, review and approval of the following year's budget, evaluation of management and competence required, and continuous financial and risk reviews based on budget or prognosis. In addition to ad hoc email correspondence, the Board has held 10 meetings and calls during the period between 1 January 2022 and 31 December 2022.

Audit Committee

The Audit Committee's responsibilities follow from section 6-43 of the Norwegian Public Limited Liability Companies Act. The Committee performs a qualitative review of the quarterly and annual reports of the Company and participates in the quality assurance of guidelines, policies, and other governing instruments pertaining to the Company. The Audit Committee consists of Members of the Board and is elected by the Board. The Committee supports the Board in safeguarding that the Company has sound risk management and internal controls over financial reporting. The Audit Committee monitors compliance with the company's Code of Conduct as well as anti-corruption and third-party representative policies.

The Audit Committee currently consists of the following members:

- Synne Syrrist, Chair
- Rune Eng

Remuneration Committee

The Remuneration Committee, appointed by the Board, makes proposals to the Board on the employment terms and conditions and total remuneration of the CEO, and other members of the Executive Management, as well as the details of the employee share scheme. These proposals are also relevant for other management entitled to variable salary payments.

The Remuneration Committee currently consists of the following members:

- David Wells, Chair
- Yvonne L. Sandvold

10. Risk management and internal control

The Board and the Executive Management shall at all times see to it that the Company has adequate systems and internal control routines to handle any risks relevant to the Company and its business, including that the Company's ethical guidelines, corporate values, and guidelines for corporate social responsibility are maintained and safeguarded.

The Board carries out an annual detailed review of the Company's most important areas of exposure to risk and its internal control systems. The risk areas, changes in risk levels, and how the risk is being managed, are on the agenda at each regular Board meeting.

The Company offers marine, offshore, and renewables consultancy services to the energy, shipping, and insurance industries. These services are provided in compliance with relevant international and local laws and regulations governing this industry. The Company has adopted a Corporate Code of Conduct and a QHSE system governing daily business practices.

11. Remuneration of the Board of Directors

Remuneration of Board members shall be reasonable and based on the Board's responsibilities, work, time invested, and the complexity of the business. The remuneration needs to be sufficient to attract both Norwegian and foreign Board members with the right expertise and competence. The compensation shall be a fixed annual amount and shall be determined by the Annual General Meeting based on a proposal from the Nomination Committee.

For more information on the remuneration of the Board see note 21 to the Financial Statements.

12. Remuneration of the Executive Management

The Board decides the salary and other compensation of the CEO, pursuant to relevant laws and regulations, having references to the main principles for the compensation policy of the Company as well as market norms and performance of the individual.

For more information on the remuneration of the CEO and other members of Executive Management, see note 21 to the Financial Statements, as well as the guidelines and report related to remuneration to Executive Management attached to the notice to the AGM.

Name	Position in the Board	Member since (year)	Up for election (year)	Committee membership	Shareholding in ABL Group ASA*
Glen Rødland	Chair	2014	2024		14,890,351 ¹
Yvonne L. Sandvold	Member	2013	2023	Remuneration	-
Synne Syrrist	Member	2013	2023	Audit	-
Rune Eng	Member	2021	2023	Audit	198,407 ²
David Wells	Member	2022	2024	Remuneration	1,073,051

* At 31st of December 2022

¹ The shares are held through Gross Management AS, an entity controlled by Mr. Rødland.

² The shares are held through Eng Invest AS, an entity controlled by Mr. Eng.

13. Information and communication

The Company is strongly committed to maintaining an open dialogue with its shareholders, potential investors, analysts, investment banks and the financial markets in general. Our goal is for the share price to reflect the underlying value of the Company by providing all price-relevant information to the market on a timely basis.

The Board of Directors and the Executive Management of the Company assign considerable importance to giving the shareholders and the financial market in general timely, relevant and current information about the Company and its activities, while maintaining sound commercial judgement in respect of any information, which, if revealed to competitors, could adversely influence the value of the Company.

The CEO and CFO are responsible for the Company's investor relations activities and all communication with the capital markets, and all information is provided in accordance with the laws and regulations imposed by the Norwegian Securities Trading Act and the Oslo Stock Exchange

Regular information is published in the form of Annual Reports and interim reports and presentations. The Company distributes all information relevant to the share price to the Oslo Stock Exchange in accordance with applicable regulations.

Such information is distributed without delay and simultaneously to the capital market, the media and on the Company website.

The Company publishes all information concerning the General Meetings, quarterly reports and presentations and other presentations on the Company website, as soon as they are made publicly available.

The Executive Management holds regular meetings with shareholders and other investors, and presents at domestic and international investor conferences.

14. Take-overs

The Board shall not without specific reasons attempt to hinder or exacerbate any attempt to submit a takeover bid for the Company's activities or shares, hereunder make use of any proxy for the issue of new shares in the Company. In situations of takeover or restructuring, it is the Board's particular responsibility to ascertain that all shareholders' values and interests are protected. If a takeover offer is made, the Board will issue a statement making a recommendation as to whether shareholders should or should not accept the offer. The Board will arrange a valuation from an independent expert that shall be made public no later than the disclosure of the Board's recommendation.

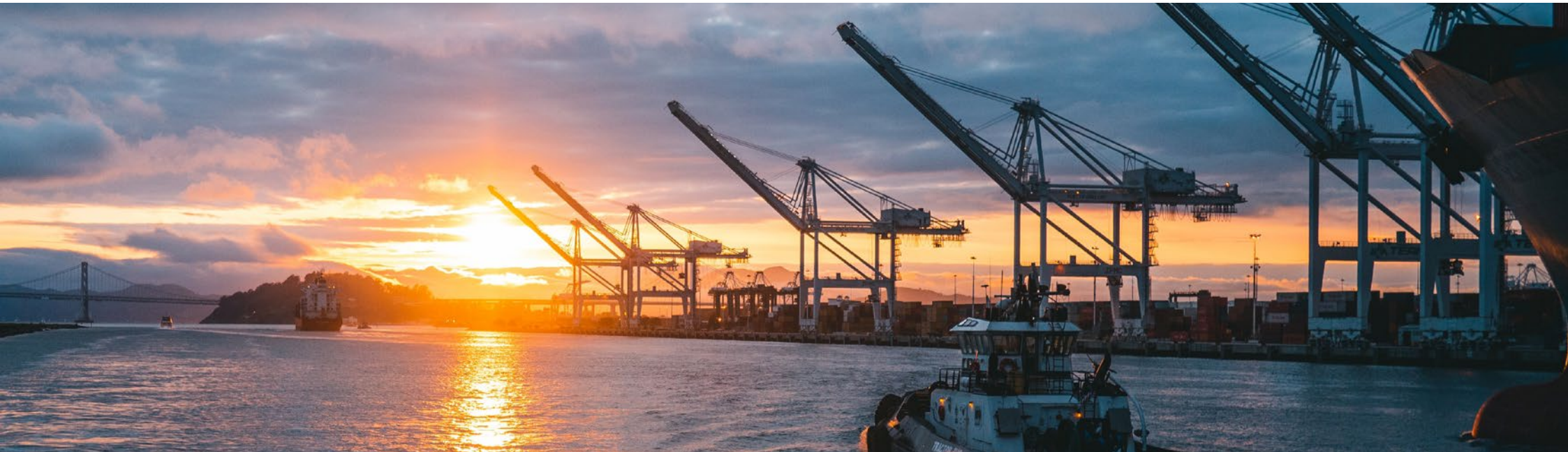
15. Auditor

PricewaterhouseCoopers AS was appointed as the Company's Auditor on 15 May 2017. The Auditor each year presents a plan for the implementation of the audit work, and following the annual statutory audit presents a review of the Company's internal control procedures, including identified weaknesses and proposals for improvement.

The Auditor participates in the Board meeting that approves the annual financial statements, and otherwise when required. The Auditor meets with the Board, without the Company's Executive Management being present, at least once a year.

Remuneration to the Auditor is disclosed in note 6 to the Financial Statements.

The full Corporate Governance Policy is published on the Company's home page: www.abl-group.com



Key figures and events in 2022

- Revenues of USD 167.9m in 2022 compared to USD 150.7 million in 2021
- Operating profit (EBIT) of USD 12.5m in 2022 compared to USD 7.4 million in 2021
- Adjusted EBIT of USD 15.3m in 2022 compared to USD 9.6 million in 2021
- Profit after taxes of USD 6.3m in 2022 compared to USD 3.2 million in 2021
- Adjusted profit after taxes¹ of USD 7.1m in 2022 compared to USD 5.4 million in 2021
- Total dividend of NOK 0.6 per share paid during 2022, corresponding to USD 5.9 million
- Completed sale of Loss Adjusting business, now trading independently as SteegeXP
- Completed acquisition of Add Energy Group, adding wells consulting and asset integrity as business areas
- In June 2022, AqualisBraemar LOC ASA was formally changed to ABL Group ASA (ticker "ABL")
- Solid financial position with a net cash balance of USD 17.6m at 31 December 2022
- 1092 full-time equivalent employees² at 31 December 2022

Strategy And Objectives

The Company's long-term objective is to consolidate the offshore energy and marine consulting space whilst maintaining a focus on organic growth.

ABL Group focuses on the provision of high end consultancy to the global energy, shipping and insurance industries. The services can be categorised across three market sectors:

- **Renewables** – Independent engineering and consultancy services to offshore wind industry
- **Oil & Gas** – Engineering and consultancy services to the offshore oil and gas industry
- **Maritime** – Worldwide emergency incident response and surveys to marine insurance industry

The Group's strategy is to offer its specialist marine and engineering consultancy services through a network of global offices. The Group has established a presence in most major marine and offshore energy centres. This global presence allows the business to provide local expertise and swift response times to client demands.

ABL Group remains focused on value creation for all our stakeholders; customers, employees, and shareholders, not on increasing the size of the company as such. All M&A and other investments need to be value accretive.

Organisation

The business is operated primarily through a regional structure, giving shorter reporting lines, improved local presence towards clients, and improved utilisation through flexible use of technical staff across business streams. OWC (comprising the activities of OWC, Innosea and East Point Geo entities) and Longitude are managed and reported as separate segments, as projects are more global in nature. Add Energy (acquired July 2022) was reported separately in 2022, but will be integrated to the regional reporting from 2023. Our seven reporting segments during 2022 were: Europe, Middle East, Asia Pacific, Americas, OWC, Longitude and Add Energy.

The business is secondarily organised across three market sectors, Renewables, Maritime and Oil & Gas – each with separate global managing directors ensuring consistency of delivery and access to global competency.

During 2022, the Group opened no new offices, but continued to expand its renewables offering across the existing office network.

The office and operations in Moscow, Russia were permanently shut down during the year. The Group will continue to grow its global office network in strategically placed locations to serve growth markets.

Financial Review

Financial statements

The consolidated financial statements of ABL Group are prepared in accordance with International Financial Reporting Standards as adapted by the European Union. A financial review of the Group for 2022 is provided below.

Profit and loss

Total operating revenues increased by 11% to USD 167.9 million in 2022 compared to USD 150.7 million in 2021. The increase in revenues was primarily driven by the OWC and Longitude segments, growing by 27% and 26% respectively compared to 2021, in addition to the acquisition of Add Energy.

Staff costs and other operating expenses increased by 9% to USD 152.0 million in 2022 compared to USD 139.6 million in 2021. The increase is broadly in line with the increase in revenue.

EBIT amounted to a profit of USD 12.5 million in 2022 compared to USD 7.4 million in 2021. Adjusted EBIT was USD 15.3 million in 2022 vs USD 9.6 million in 2021.

Profit after taxes amounted to USD 6.3 million in 2022 compared to USD 3.2 million in 2021. Adjusted profit after taxes was USD 7.1 million in 2022 vs USD 5.4 million in 2021.

¹ Alternative Performance Measures

² Including subcontractors

Cash flow, liquidity and financial position

Net cash inflow from operating activities was USD 18.6 million in 2022, up from a net cash outflow of USD 0.2 million in 2021, driven by significant working capital improvements. Net cash outflow for investing activities was USD 2.4 million in 2022. Net cash outflow from financing activities was USD 4.3 million in 2022, primarily caused by dividends and debt repayment. A total dividend of USD 5.9 million representing NOK 0.60 per share was paid to the shareholders in 2022. At 31 December 2022, cash balance amounted to USD 31.0 million compared with USD 19.8 million at 31 December 2021.

At 31 December 2022, total assets amounted to USD 126.9 million compared with USD 115.1 million as of 31 December 2021. The shareholders' equity was USD 68.4 million at 31 December 2022, corresponding to an equity ratio of 54%. The shareholders' equity was USD 66.9 million at 31 December 2021, corresponding to an equity ratio of 58%. ABL Group had USD 13.3 million of interest bearing bank debt as of 31 December 2022.

The Board of Directors proposes a dividend equal to 0.35 NOK per share to be paid during the first half of 2023, and for dividends to remain on a semi-annual schedule.

ABL GROUP ASA (Parent)

ABL Group ASA prepares its financial statements in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway. ABL Group ASA is the ultimate holding company for the Group's operations.

ABL Group ASA reported profit after taxes in 2022 of NOK 37.9 million compared with profit after taxes of NOK 25.7 million in 2021. Total assets as of 31 December 2022 were NOK 746.9 million compared with NOK 594.7 million in 2021. The company's cash balance at 31 December 2022 was NOK 32.6 million compared to NOK 5.9 million at 31 December 2021. Net cash flow from operating activities was NOK 138.7 million in 2022. Net cash flow used in investing activities was NOK 96.8 million in 2022 and primarily related to loans given to group companies. Net cash outflow from financing activities was NOK 15.2 million, driven mainly by dividend payments. For tax purposes, the distribution of dividend was considered repayment of paid in capital.

ABL Group ASA is exposed to credit risk related to loans to subsidiaries. The loans to subsidiaries do not have a specific due date.

The total shareholder's equity at 31 December 2022 was NOK 524.9 million. The Board proposes that the profit after tax of NOK 37.9 million is mainly allocated to Group contributions.

ABL Group ASA has its headquarter in Oslo, Norway, with six permanent employees at the end of 2022. Sick leave was 12 days or 1.0% for 2022.

Going Concern

In accordance with the Norwegian accounting act § 3-3a, the Board of Directors confirms that the Financial Statements have been prepared under the assumption of going concern and that this assumption is valid.

Risk Factors

Risk exposure and Risk management

ABL Group's regular business activities routinely encounter and address various types of risks some of which may cause our future results to be different than we presently anticipate. A disciplined approach to risk is important and the Group proactively manages such risks.

ABL Group's Board is committed to effective risk management in pursuit of the Group's strategic objectives with the aim of growing shareholder value. Further, the Board realises that proactive risk management is both an essential element of good corporate governance and an enabler in realising opportunities.

The Executive Management is responsible for the governance of risk with support from members of the management team. They review and monitor the effectiveness of the risk management processes within the Group in accordance with corporate risk governance requirements.

Risk registers are tabled at Company and Board meetings under the categories of economic, financial, political, operational, strategic, legal and human resources risks. Action plans are monitored and discussed to reduce the risks to acceptable levels.

Operational risk

Operational Risk typically involves the risk of loss resulting from inadequate internal processes, people and systems or from external events, including political and legal risks. The Executive Management regularly analyses its operations and potential risk factors with a focus on the most significant risks facing the Group and takes appropriate measures to reduce risk exposure.

ABL Group places a strong emphasis on Quality, Health & Safety Assurance and has management systems implemented, in line with the requirements for its business operations.

Credit risk

Credit risk is primarily related to trade receivables. In trade receivables, credit risk includes geographic, industry and customer concentration and risks related to collection.

Interest rate risk

With gross interest bearing bank debt of USD 13.3 million at 31 December 2022, the Group is exposed to interest rate risk. The interest on the Group's bank debt is based on floating interest rates with a fixed margin on top.

Liquidity risk

The Group's policy is to maintain satisfactory liquidity at the corporate level. The Group has a solid cash position which exceeds the interest-bearing debt at year-end. The Group had cash and cash equivalents of USD 31.0 million, and 13.3 million of interest bearing bank debt, at 31 December 2022. Based on the year-end cash balance, available liquidity resources and the current structure and terms of the Group's liabilities, it is the Board's opinion that the Group has adequate funding and liquidity to support its operations and investment program.

Foreign currency risk

ABL Group operates internationally and is exposed to currency risk primarily to fluctuations in USD, NOK, SGD, GBP and AED, arising from commercial transactions and assets and liabilities in currencies other than the entity's functional currency, ABL Group's net investments in foreign subsidiaries and its foreign currency denominated cash deposits. During the year 2022, the Group had a net foreign exchange loss of USD 2.5 million.

Further details on financial risk can be found in note 23 to the consolidated financial statements.

Corporate Governance

The statement of Corporate Governance is included as a separate document in the Annual Report. Corporate Governance is important to ensure that our business is operated in a way that protects the long-term interest of all stakeholders. The Board of Directors has approved and implemented corporate governance principles endorsing and complying with the Norwegian Accounting Act (§ 3-3b) and the Norwegian Code of Practice for Corporate Governance (Code of Practice) issued by the Norwegian Corporate Governance Board. ABL Group's compliance with the Code of Practice is described in detail in the report on Corporate Governance which is included in the Annual Report on page 31.

Social and Environmental Responsibility

In Q1 2020 we initiated a comprehensive process to establish best practice Environmental, Social and Governance ("ESG") reporting and to instil sustainability into the culture and forward strategy of the Group. We have called this project ABL2030, recognising that though the journey may be long, we must build the foundations this decade. Our ABL2030 guiding purpose is that energy and the oceans are at the centre of our business; the sustainability of both is vital for the future of our company and the world in which we operate and live. Based on the key principles for ABL2030, our Sustainability report on page [25] outlines how ABL Group assesses and mitigates climate risk to its business, markets and its impacts on the wider world.

Insurance covering Board of Directors and Executive Management team

ABL Group ASA holds a Directors and Officers Liability Insurance (D&O) covering the Board Members', CEO's and the executive management's potential liabilities towards the company and third parties.

Markets and Outlook

Improving markets is expected to be a key driver for top line growth and improved profitability in ABL Group in 2023 and beyond.

The offshore wind industry, our core renewables market, is expected to continue to grow rapidly. We have seen progress towards opening new global markets to offshore wind, and with an increasing number of developers, new investors and new geographies, the consultancy market is expected to grow significantly in the short and long term. The early development work which represents OWC's core business continues to grow at pace, and the offshore installation activity which drives our offshore wind marine warranty survey work is expected to return to growth in 2023.

In our oil and gas market we have seen significant improvements in brownfield and opex driven work during 2022, and expect this to improve further in 2023. Greenfield and capex driven services have been slower to pick up, but we expect significant improvements through 2023 and towards a very active 2024.

We expect to retain our strong position in our maritime markets. These markets are long term stable and move in tandem with global shipping activity, but short-term development remains largely event driven and difficult to forecast.

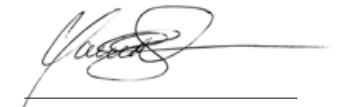
ABL Group's current strategy remains unchanged being focused on widening and strengthening its global client portfolio and enhancing client loyalty to retain and obtain market leading positions across our services and geographies.

ABL Group will continue to be active in the consolidation and restructuring of our industry. ABL Group remains focused on value creation for all our stakeholders; customers, employees and shareholders. The active pursuit of strategic and value creating acquisitions allows us to make large strides in positioning the group in attractive markets, and to become the leading independent global energy and marine consultancy.

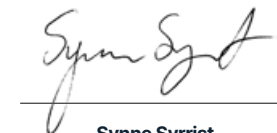
Oslo, 26 April 2023



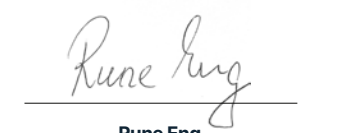
Glen Rødland
Chair of the Board




Yvonne L. Sandvold
Board member



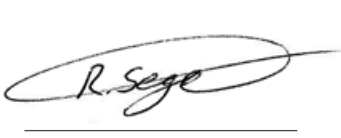
Synne Syrrist
Board member



Rune Eng
Board member



David Wells
Board Member



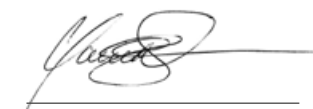
Reuben Segal
CEO

We confirm that, to the best of our knowledge, the 2022 consolidated financial statements have been prepared in accordance with IFRS as adopted by EU, gives a true and fair view of the Company's assets, liabilities, financial position and results of operations, and that the management report includes a fair review of the information required under the Norwegian Securities Trading Act section 5-5.

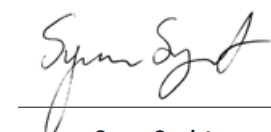
Oslo, 26 April 2023



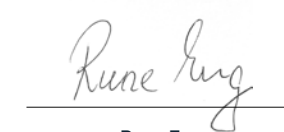
Glen Rødland
Chair of the Board



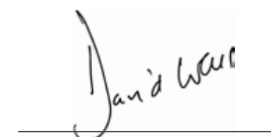
Yvonne L. Sandvold
Board member



Synne Syrrist
Board member



Rune Eng
Board member



David Wells
Board Member



Reuben Segal
CEO

CONSOLIDATED FINANCIAL STATEMENTS

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Consolidated statement of income

Amounts in USD thousands	Notes	2022	2021
Revenue	4	167,897	150,748
Total revenue		167,897	150,748
Staff costs	5	(88,126)	(81,978)
Other operating expenses	6	(63,915)	(57,605)
Depreciation, amortisation and impairment	11, 12	(3,342)	(3,790)
Operating profit (loss) (EBIT)		12,514	7,375
Gain on bargain purchase / disposal of subsidiaries	7	1,889	54
Finance income	8	169	112
Finance expenses	8	(1,411)	(765)
Net foreign exchange gain (loss)	8	(2,507)	(592)
Profit (loss) before income tax		10,654	6,184
Income tax expenses	9	(4,401)	(2,965)
Profit (loss) after tax		6,253	3,218

Consolidated statement of other comprehensive income

Amounts in USD thousands	Notes	2022	2021
Profit (loss) after tax		6,253	3,218
Other comprehensive income			
Items that may be reclassified to profit or loss			
Currency translation differences		(2,776)	(475)
Income tax effect	9	(729)	(343)
Other comprehensive income for the period, net of tax		(3,506)	(818)
Total comprehensive income for the period		2,746	2,400
Total comprehensive income for the period is attributable to:			
Equity holders of the parent company		2,689	2,325
Non-controlling interests		58	75
Total comprehensive income for the period		2,746	2,400
Earnings per share (USD): basic	10	0.06	0.03
Earnings per share (USD): diluted	10	0.06	0.03

Consolidated balance sheet

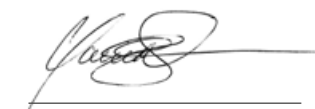
Amounts in USD thousands	Notes	31 December 2022	31 December 2021
ASSETS			
Non-current assets			
Property, plant and equipment	11	2,101	1,137
Right-of-use assets	12	7,904	3,629
Investment in associates		29	-
Goodwill and intangible assets	13	29,382	27,465
Deferred tax assets	9	1,744	1,708
Total non-current assets		41,160	33,939
Current assets			
Trade and other receivables	14	41,400	43,235
Contract assets	4	13,394	18,101
Cash and cash equivalents	15	30,974	19,815
Total current assets		85,769	81,151
Total assets		126,928	115,090
EQUITY AND LIABILITIES			
Equity			
Share capital	16	1,402	1,323
Share premium	16	63,349	64,913
Consideration shares	7	1,236	1,890
Share-based compensation reserve	16	3,769	2,373
Retained earnings		14,752	8,557
Foreign currency translation reserve		(15,812)	(12,306)
Total		68,697	66,751
Non-controlling interests	7	(269)	114
Total equity		68,427	66,865
Non-current liabilities			
Deferred tax liabilities	9	2,516	1,259
Long term borrowings	17	-	3,328
Lease liabilities	12	6,922	2,481
Provisions and other payables	18	3,058	2,714
Other payables		2,935	2,947
Total non-current liabilities		15,432	12,729

Amounts in USD thousands	Notes	31 December 2022	31 December 2021
Current liabilities			
Trade and other payables	19	25,890	24,467
Contract liabilities	4	1,535	949
Short term borrowings	17	13,337	8,333
Lease liabilities	12	1,869	1,349
Income tax payable	9	439	398
Total current liabilities		43,069	35,496
Total liabilities		58,501	48,225
Total equity and liabilities		126,928	115,090

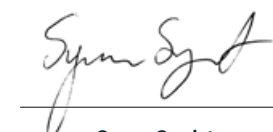
Oslo, 26 April 2023



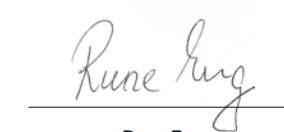
Glen Rødland
Chair of the Board



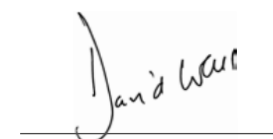
Yvonne L. Sandvold
Board member



Synne Syrrist
Board member



Rune Eng
Board member



David Wells
Board Member



Reuben Segal
CEO

Consolidated statement of changes in equity

Amounts in USD thousands	Notes	Share capital	Treasury shares	Share premium	Consideration shares	Share-based compensation reserve	Retained earnings	Foreign currency translation reserve	Total	Non- controlling interests	Total equity
At 1 January 2021		1,276	(41)	67,080	1,459	897	5,413	(11,487)	64,598	721	65,319
Profit after tax		-	-	-	-	-	3,144	-	3,144	75	3,218
Other comprehensive income		-	-	-	-	-	-	(818)	(818)	-	(818)
Cash-settled capital increase (net of transaction costs)		41	-	2,260	-	-	-	-	2,301	-	2,301
Shares to be issued as part of the consideration on a acquisition of subsidiary		-	-	-	431	-	-	-	431	-	431
Shares issued as consideration for business combination		6	-	1,048	-	-	-	-	1,054	-	1,054
Non-controlling interests on acquisition of subsidiary		-	-	-	-	-	-	-	-	(609)	(609)
Dividends paid		-	-	(5,476)	-	-	-	-	(5,476)	(73)	(5,548)
Share-based payment expenses	16	-	-	-	-	1,475	-	-	1,475	-	1,475
Employee share program issue		-	41	-	-	-	-	-	41	-	41
At 31 December 2021		1,323	-	64,912	1,890	2,372	8,557	(12,306)	66,751	114	66,865
At 1 January 2022		1,323	-	64,912	1,890	2,372	8,557	(12,306)	66,751	114	66,865
Profit after tax		-	-	-	-	-	6,195	-	6,195	58	6,253
Other comprehensive income		-	-	-	-	-	-	(3,506)	(3,506)	-	(3,506)
Cash-settled capital increase (net of transaction costs)	16	53	-	1,694	-	-	-	-	1,746	-	1,746
Shares issued as consideration for business combination	7	26	-	2,680	(654)	-	-	-	2,052	-	2,052
Non-controlling interests on acquisition of subsidiary		-	-	-	-	-	-	-	-	(441)	(441)
Dividends paid	16	-	-	(5,936)	-	-	-	-	(5,936)	-	(5,936)
Share-based payment expenses	16	-	-	-	-	1,397	-	-	1,397	-	1,397
At 31 December 2022		1,402	-	63,349	1,236	3,769	14,752	(15,812)	68,697	(269)	68,427

Consolidated statement of cash flows

Amounts in USD thousands	Notes	2022	2021
Cash flow from operating activities			
Profit (loss) before taxes		10,654	6,184
Non-cash adjustment to reconcile profit before tax to cash flow:			
Depreciation, amortisation and impairment	11, 13	3,342	3,790
Non-cash employee benefits expense – share-based payments	16	1,396	1,475
Gain on bargain purchase / disposal of subsidiaries	7	(1,889)	(54)
Changes in working capital:			
Changes in trade and other receivables		12,558	(6,923)
Changes in trade and other payables		(2,853)	(252)
Interest costs – net		1,115	488
Income taxes paid		(2,894)	(3,194)
Net exchange differences		(2,144)	(1,221)
Cash flow from (used in) operating activities		19,285	293
Cash flow from investing activities			
Payments for property, plant and equipment		(1,862)	(534)
Interest received		81	54
Net cash acquired (paid) on acquisition of subsidiaries		(583)	(554)
Cash flow from (used in) investing activities		(2,364)	(1,035)
Cash flow from financing activities			
Dividends paid to company's shareholders	16	(5,936)	(5,476)
Principal elements of lease payments		(1,765)	(2,601)
Proceeds from loans and borrowings	17	5,000	-
Repayment of borrowings	17	(3,333)	(3,422)
Proceeds from issuance of shares capital	16	1,746	2,301
Interest paid		(650)	(479)
Cash flow from (used in) financing activities		(4,939)	(9,677)
Net change in cash and cash equivalents		11,982	(10,419)
Cash and cash equivalents at the beginning of the period		19,815	30,642
Effect of movements in exchange rates		(823)	(407)
Cash and cash equivalents at the end of the period		30,974	19,815

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 1. Corporate information

ABL Group ASA ("the Company") is a limited liability company incorporated on 13 June 2014 and domiciled in Norway with its registered office at Haakon Vlls gate 6, 0161 Oslo. The Company is listed on Oslo Stock Exchange.

The principal activity of the Company and its subsidiaries (collectively the "ABL Group" or the "Group") is to offer adjusting, marine, offshore and renewables consultancy services to the energy, shipping and insurance industries globally. The group employs specialist engineers, naval architects, master mariners, loss adjusters and technical consultants in 63 offices located across 5 continents in 39 countries.

For all periods up to and including the year ended 31 December 2022, the consolidated financial statements of the Group are a continuation of the group values transferred from Weifa ASA in the spin-off of the marine and offshore business wherein all the shares in subsidiaries were transferred to Aqualis ASA on 24 July 2014. The ownership of the subsidiaries and the related excess values from the acquisitions are consequently continued in the consolidated financial statements of the Group.

Note 2. Summary of significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements to the extent they have not already been disclosed in the other notes above. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the Group consisting of ABL Group ASA and its subsidiaries.

2.1 Basis of preparation

(i) Compliance with IFRS

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) as approved by the European Union, interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS and the additional requirements of the Norwegian Accounting Act as of 31 December 2022. The financial statements comply with IFRS as issued by the International Accounting Standards Board (IASB).

These consolidated financial statements are presented in US Dollars (USD). All amounts disclosed in the financial statements and notes have been rounded off to the nearest thousand currency units unless otherwise stated.

(ii) Historical cost convention

The consolidated financial statements have been prepared on a historical cost basis except as disclosed in the accounting policies below.

2.2 Principles of consolidation

(i) Subsidiaries

Subsidiaries are all entities over which the group has control. The group controls an entity where the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

Inter-company transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, statement of comprehensive income, statement of changes in equity and balance sheet respectively.

(ii) Changes in ownership interests

The group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognized in a separate reserve within equity attributable to owners of ABL Group ASA.

When the group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognized in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognized in other comprehensive income are reclassified to profit or loss where appropriate.

2.3 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Group's operating segments are established on the basis of those components that are evaluated regularly by the Board of Directors, considered to be the Group's Chief Operating Decision Maker. The Chief Operating Decision Maker monitors the operating results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on revenues, gross profit and a broad range of key performance indicators in addition to segment profitability.

2.4 Foreign currency translation

(i) Functional and presentation currency

Items included in the consolidated financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in US Dollars (USD). The functional currency of the parent company is Norwegian Krone (NOK). The parent company financial statements are presented in NOK.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates, are generally recognized in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Foreign exchange gains and losses are presented in the consolidated statement of income on a net basis.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognized in profit or loss as part of the fair value gain or loss, and translation differences on non-monetary assets such as equities classified as at fair value through other comprehensive income are recognized in other comprehensive income.

(iii) Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet
- income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- all resulting exchange differences are recognized in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings are recognized in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate at the reporting date.

2.5 Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred
- liabilities incurred to the former owners of the acquired business
- equity interests issued by the group
- fair value of any asset or liability resulting from a contingent consideration arrangement, and
- fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The group recognizes any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the:

- consideration transferred,
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognized directly in profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability is subsequently remeasured to fair value, with changes in fair value recognized in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquire is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognized in profit or loss.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognized, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized as of that date.

The measurement period ends as soon as the Group receives the necessary information about the facts and circumstances that existed as of the acquisition date or learns that the information is not obtainable. However, the measurement period cannot exceed one year from the acquisition date.

2.6 Revenue recognition

(i) Rendering of services

Revenue from providing services is recognised in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided, because the customer receives and uses the benefits simultaneously. This is determined based on the actual labour hours spent relative to the total expected labour hours.

Where the contracts include multiple performance obligations, the transaction price is allocated to each performance obligation based on the stand-alone selling prices. Where these are not directly observable, they are estimated based on expected cost plus margin.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

In the case of fixed-price contracts, the customer pays the fixed amount based on a payment schedule. If the services rendered exceed the payment, a contract asset is recognised. If the payments exceed the services rendered, a contract liability is recognised.

(ii) Interest income

Interest income is recognized using the effective interest rate method.

2.7 Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income, based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated based on the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, based on amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized, or the deferred income tax liability is settled.

Deferred tax assets are recognized only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax liabilities and assets are not recognized for temporary differences between the carrying amount and tax bases of investments in foreign operations where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

(i) Investment allowances and similar tax incentives

Companies within the group may be entitled to claim special tax deductions for investments in qualifying assets or in relation to qualifying expenditure (e.g. the Research and Development Tax Incentive regime or other investment allowances). The group accounts for such allowances as tax credits, which means that the allowance reduces income tax payable and current tax expense. A deferred tax asset is recognized for unclaimed tax credits that are carried forward as deferred tax assets.

2.8 Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the asset.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the consolidated income statement in the period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate the assets' cost to their residual values over their estimated useful lives as follows:

- Fixtures and office equipment: 2 – 5 years
- Vehicles: 5 years

The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

An item of property, plant and equipment is derecognized upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated income statement when the asset is derecognized.

2.9 Leases

The group leases various offices, equipment and vehicles. Rental contracts are typically made for fixed periods of 6 months to 5 years but may have extension options.

Contracts may contain both lease and non-lease components. The group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date

- amounts expected to be payable by the group under residual value guarantees
- the exercise price of a purchase option if the group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group, which does not have recent third-party financing, and
- makes adjustments specific to the lease, e.g., term, country, currency and security.

The group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognized on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

2.10 Intangible assets

(i) Goodwill

Goodwill is measured as described in note 2.5. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortized but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes (note 13).

(ii) Customer relations

The customer contracts were acquired as part of a business combination. They are recognized at their fair value at the date of acquisition and are subsequently amortized on a straight-line based on the timing of projected cash flows of the contracts over their estimated useful lives of 5-15 years.

(iii) Patents

The patents were acquired as part of a business combination. They are recognized at their fair value at the date of acquisition and are subsequently amortized on a straight-line based on the timing of projected cash flows of the contracts over their estimated useful lives of 15 years.

2.11 Impairment of assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

2.12 Financial assets

The Group classifies its financial assets at amortized cost or fair value based on the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

2.13 Trade receivables

Trade receivables are amounts receivable from customers for billing in the ordinary course of business. Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment losses. The Group measures the loss allowance for trade receivables based on the expected credit loss model using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors and general economic conditions of the industry in which the debtors operate. The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g., when the debtor has been placed under liquidation or has entered bankruptcy proceedings. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate.

The carrying amount of the asset is reduced using an allowance account and the amount of the loss is recognized in the consolidated income statement within other operating expenses. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against other operating expenses in the consolidated income statement.

2.14 Cash and cash equivalents

For the purpose of consolidated statement of cash flows, cash and cash equivalents comprise cash at banks and on hand and short-term deposits with original maturity of three months or less, which are subject to an insignificant risk of changes in value.

2.15 Balance sheet classification

The Group presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle.
- Held primarily for the purpose of trading.
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle.
- It is held primarily for the purpose of trading.
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- The Group classifies all other liabilities as non-current.

2.16 Trade and other payables

These amounts represent liabilities for goods and services provided to the group prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

2.17 Provisions

Provisions for legal claims, service warranties and make good obligations are recognized when the group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Where there are several similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

2.18 Employee benefits

(i) Pension obligations

The Group currently has defined contribution plans only. For defined contribution plans, the group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The group has no further payment obligations once the contributions have been paid. The contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

(ii) Other employees' benefit obligations

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. These liabilities are presented as a current liability and included in trade and other payables.

In some countries, the group also has liabilities for end of service benefits that are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. These obligations are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period, using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period of high-quality corporate bonds with terms and currencies that match, as closely as possible, the estimated future cash outflows.

Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in profit or loss. The provision relating to end of service benefits is disclosed as a non-current liability.

(iii) Bonus plans

The group recognizes a liability and an expense for bonuses based on a formula that takes into consideration the profit attributable to the company's shareholders after certain adjustments. The group recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

(iv) Share-based payments

Share-based compensation benefits are provided to employees via the employee option plan. Information relating to these schemes is set out in note 16.

Employee options

The fair value of options granted under the employee option plan is recognized as an employee benefits expense, with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (e.g., the entity's share price)
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- including the impact of any non-vesting conditions (e.g., the requirement for employees to save or hold shares for a specific period).

The total expense is recognized over the vesting period, which is the period over which all the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognizes the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

2.19 Equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Where any group company purchases the company's equity instruments (treasury shares), for example as the result of a share buy-back or a share-based payment plan, the consideration paid, including any directly attributable incremental costs (net of income taxes), is deducted from equity attributable to the owners of the Company as treasury shares until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the owners of the Company.

2.20 Dividends

Provision is made for any dividend declared, being appropriately authorized and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

2.21 Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company, excluding any costs of servicing equity other than ordinary shares
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

2.22 Events after the balance sheet date

New information on the Group's positions at the balance sheet date is considered in the annual financial statements. Events after the balance sheet date that do not affect the Group's position at the balance sheet date, but which will affect the Group's position in the future, are stated if significant.

2.23 Prior-year information

The presentation of certain prior year information has been reclassified to conform to the current year presentation.

Note 3. Significant accounting estimates and judgements

In applying the Group's accounting policies, which are described in note 2, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are relevant. Actual results may differ from these estimates.

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

3.1 Critical judgements in applying the Group's accounting policies

The following are the critical judgments, apart from those involving estimations (which are presented below separately), that management have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognized in the consolidated financial statements.

(i) Control over subsidiaries

Note 26 describes that certain subsidiaries in UAE, Qatar and Malaysia are subsidiary of the Group even though the Group has only 49% ownership interest. The remaining ownership interests are held by local sponsors in accordance with statutory regulations of those countries.

The directors of the Company assessed whether the Group has control over those subsidiaries based on whether the Group has the practical ability to direct the relevant activities of subsidiaries unilaterally. In making their judgement, the directors considered the Group's absolute size of holding in those subsidiaries and the relative size of and dispersion of the shareholdings owned by the other shareholders.

Through trust agreements with the respective local sponsors, the Group controls 100% of the financial and ownership rights of those entities. The Group has ownership over all the assets of both entities, with all dividends, proceeds of sale etc. belonging solely to the Group.

After assessment, the directors concluded that the Group has full power of the investee, is fully exposed to variable returns from its involvement with the investee and could use its power over the investee to affect the amount of the investor's returns, those entities have been fully consolidated in the consolidated financial statements of the Group, and the 51% owned by the local sponsors have not been treated as a non-controlling interest.

3.2 Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

(ii) Income taxes

The Group is subject to income tax in several jurisdictions and significant judgement is required in determining the provision for income taxes. During the ordinary course of business, there are transactions and calculations for which the ultimate tax determination is uncertain. As a result, the Group recognizes tax liabilities based on estimates of whether additional taxes and interest will be due. The company believes that its accruals for tax liabilities are adequate for all open audit years based on its assessment of many factors including experience and interpretations of tax law. This assessment relies on estimates and assumptions and may involve a series of complex judgments about future events. To the extent that the final tax outcome of these matters is different than the amounts recorded, such differences will impact income tax expense in the period in which such determination is made.

Deferred tax assets are recognized for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

(iii) Impairment of non-financial assets

An impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing the asset. The value in use for calculation is based on a discounted cash flow model. The cash flows are derived from the forecast for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the cash-generating unit being tested.

The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash inflows and the growth rate used for extrapolation purposes.

Further details of the key assumptions applied in the impairment assessment of goodwill are given in Note 13 to the consolidated financial statements.

(iv) Employee compensation plans

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 16 to the consolidated financial statements.

(v) Impairment of financial assets

The Group assesses at each reporting date whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment.

Evidence of impairment may include indications that the debtor or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments; the probability that they will enter bankruptcy or other financial reorganization, and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or general changes in the economic conditions that correlate with defaults.

The Group measures the loss allowance on amounts due from customer at an amount equal to lifetime expected credit losses (ECL). When measuring ECL, the group uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other. Further details of the key assumptions applied in the impairment assessment are given in Note 23 to the consolidated financial statements.

(vi) Customer contracts and patents

The customer contracts and patents were acquired as part of a business combination. They are recognised at their fair value at the date of acquisition and are subsequently amortised on a straight-line over their estimated useful lives. Estimating fair value for customer contracts and patents requires determining the most appropriate valuation model. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of these assets, estimated future cash flow, growth rates, discount rates and making assumptions about them. Further details of the key assumptions for estimating fair value for customer contracts and patents are disclosed in Note 7 to the consolidated financial statements.

Note 4. Revenue from contracts with customers

The group derives revenue from contracts with customers for the consultancy services over time provided to the energy, shipping and insurance industries and includes reimbursement of expenses and related services. This is consistent with the revenue information that is disclosed for each reportable segment under IFRS 8 (note 25). It excludes dividends, interest income and intra-group transactions.

Amounts in USD thousands	2022	2021
Consultancy services	159,239	145,190
Reimbursement of expenses	7,721	5,291
Other	937	267
Total	167,897	150,748

Assets and liabilities related to contracts with customers

The Group has recognised the following assets and liabilities related to contracts with customers.

Amounts in USD thousands	31 December 2022	31 December 2021
Contract assets		
Contract assets related to contracts with customers	13,537	18,240
Loss allowance	(143)	(139)
Total	13,394	18,101

Contract liabilities

Contract liabilities related to contracts with customers	1,535	949
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The contract assets primarily relate to the Group's rights to consideration for work completed but not billed at the reporting date. The group also recognised a loss allowance for contract assets in accordance with IFRS 9, refer note 23 for further information. The contract assets are transferred to trade receivables when the rights become unconditional. This usually occurs when the Group issues an invoice to the customer.

The contract liabilities primarily relate to the advance consideration received from customers, for which revenue is recognised over time.

The vast majority of the Group's consulting service contracts are billed based on the time incurred. As permitted under IFRS 15, the transaction price allocated to unsatisfied contracts is not disclosed, for which the practical expedient applies. Whilst the Group incurs costs that are necessary to facilitate a sale, those costs would have been incurred even if the customer decided not to execute the contract and therefore have not been capitalised.

Note 5. Staff costs

Amounts in USD thousands	2022	2021
Salaries and wages	62,995	60,996
Payroll and social security costs	7,616	7,210
Employee's end of service and pension benefits	2,322	2,117
Share-based payments	1,397	1,475
Other personnel costs	13,796	10,180
Total	88,126	81,978
Average number of employees	797	704

The Group's pension obligations are limited to annual defined contribution plans, beside end of service benefits described in note 18. ABL Group meets the Norwegian requirements for mandatory occupational pension ("obligatorisk tjenestepensjon").

Note 6. Other operating expenses

Amounts in USD thousands	2022	2021
Subcontractors cost	37,765	35,372
Office lease and maintenance expenses	1,963	2,385
Insurance cost	2,637	2,688
Cost of recharged expenses	6,781	3,823
Transaction costs related to acquisition	357	76
General and administrative expenses	14,412	13,261
Total	63,915	57,605
Remuneration to auditors¹		
Audit	1,020	796
Other assurance services	48	61
Other services	278	-
Total	1,346	857

¹ All fees are exclusive of VAT

Note 7. Business combinations

On 11 July 2022, ABL Group ASA acquired 100 percent of the shares of energy and engineering consultancy Add Energy. The acquisition broadens ABL Group's service offering, enhances recurring revenue services in the opex phase and gains entry into digital optimisation, carbon storage and energy efficiency services that are crucial to the energy transition.

Details of the purchase consideration, the net assets acquired and gain on bargain purchase are as follows:

Amounts in USD thousands	
Fair value of net assets acquired	
Property, plant and equipment	191
Intangible assets – internally generated softwares	337
Intangible assets – patents	1,386
Intangible assets – customer relations	678
Right of use assets	729
Investment in associates	29
Deferred tax	283
Trade and other receivables	6,551
Contract assets	1,103
Cash and cash equivalents	408
Trade and other payables	(6,436)
Deferred tax liabilities	(408)
Net identifiable assets acquired	4,850
Non-controlling interests	441
Goodwill	-
Net assets acquired	5,290

Amounts in USD thousands	
Purchase Consideration	
Cash consideration	153
Contingent cash consideration	1,229
Consideration shares	2,020
Total purchase consideration	3,402

Amounts in USD thousands	
Gain on bargain purchase	
Fair value of identifiable net assets acquired	5,290
Less: purchase consideration	(3,402)
Gain on bargain purchase	1,888

Amounts in USD thousands	
Net cash flow on acquisition of subsidiaries	
Cash acquired	408
Cash paid	(991)
Net cash outflow – investing activities	(583)

The purchase consideration consists of a combination of cash consideration, shares and conditional payments. The share purchase was settled through a NOK 1.75 million cash consideration to Add Energy's shareholders. ABL Group also acquired substantially all interest-bearing debt in Add Energy from its main lender DNB. The debt purchase was settled through issuance of NOK 20 million in ABL Group ASA shares to DNB. 1,582,279 new shares were issued, with the subscription price per new share set to NOK 12.64 based on the 15-day value-weighted average price of ABL Group ASA shares as of 8 July 2022.

At the transaction date Add Energy had a claim in the amount of approximately USD 1.6 million against a client which was significantly past due. As per the terms of sale and purchase agreement, if the amount is recovered from the client, the group has agreed to make payment of additional purchase consideration totalling up to 75% of the claim to DNB and Add Energy's former shareholders. Subsequent to the acquisition, the Company has received full settlement of the claim from the client. The full nominal value of the receivables has been used as an approximate to fair value, with a corresponding provision for the contingent payment as part of the transaction.

The Company identified USD 2.1 million in value which can be allocated to the patents and customer relations, offset by deferred tax of USD 0.4 million.

The Company has an US patent with duration of 20 years first granted in 2017 in Relief Well Injection Spool, a subsea well control device. The company receives cash from this patent from its US partner. The fair value of the patent was calculated by discounting projected cash flows in the years 2023 to 2037 which is based on the historical cash flow since the patent first granted and applying an annual growth rate of 2%. The cash flows were discounted using weighted average cost of capital of 21.1%.

The fair value of the customer relations within the business units – asset integrity, well operations and well control were calculated by discounting projected cash flows in the years 2023 to 2037 which is based on the historical cash flow in 2022 and applying a normal growth rate of 2%. The churn rate for business units – asset integrity, well operations and well control set to 10%, 6.7% and 20% respectively. The cash flows were discounted using weighted average cost of capital of 21.1%.

There were no other separately identifiable intangible assets or fair value adjustments recognised on the acquisition. The book value of acquired assets and liabilities has been considered the fair value.

If new information obtained within one year of the date of acquisition about facts and circumstances that existed at the date of acquisition identifies adjustments to the above amounts, or any additional provisions that existed at the date of acquisition, then the accounting for the acquisition will be revised.

As the purchase consideration was lower than the fair value of the acquired net assets, the purchase price allocation resulted in gain from bargain purchase of USD 1.9 million recognised in the consolidated income statement. The acquisition of a consulting business primarily involved the acquisition of human capital with special skills and expected synergies to be achieved from integrating with the Group's existing business.

The purchase consideration was lower than the fair value of the acquired net assets as measured by accounting standards, of the acquired net assets. Add Energy had been loss making prior to the acquisition which constituted large parts of its equity capital. Add Energy was not able to achieve a sufficient return on its' equity capital. The purchase consideration was lower than the fair value of the acquired net assets, as measured by accounting standards, mainly due to low return on equity capital achieved by Add Energy.

The fair value of acquired trade receivables on acquisition is USD 3.8 million. The gross contractual amount for trade receivables due is USD 4.0 million, with a loss allowance of USD 0.2 million.

Impact of acquisitions on the results of the group

Add Energy was consolidated as of 11 July 2022. The Group incurred acquisition-related costs of USD 0.3 million on legal fees and due diligence. These costs have been included in other operating expenses in the consolidated income statement.

If the acquisition had occurred on 1 January 2022, consolidated pro-forma revenue and net profit after tax for the year ended 31 December 2022 would have been USD 179.2 million and USD 2.4 million respectively.

Note 8. Financial items

Amounts in USD thousands	2022	2021
Finance income		
Interest income	100	1
Other finance income	69	111
Total	169	112
Finance expenses		
Interest on obligations under finance leases	297	225
Interest expenses	1,077	479
Other finance expenses	37	61
Total	1,411	765
Net foreign exchange gain (loss)		
Net foreign exchange gain (loss)	(2,507)	(592)
Total	(2,507)	(592)

Net foreign exchange gain includes unrealised foreign currency gain related to bank accounts in the company and its subsidiaries, which have bank accounts in different currencies than their functional currencies.

Long term loans to subsidiaries have been assessed to be a part of the net investments in the subsidiaries. In compliance with IAS 21, the unrealised currency effects related to these loans have been recognised in foreign currency translation reserve in the consolidated statement of other comprehensive income.

Note 9. Taxes

Amounts in USD thousands	2022	2021
Income tax expenses on ordinary pre-tax profit		
Current year income tax expenses	2,572	1,404
Withholding taxes	1,359	1,280
Changes in deferred tax	470	281
Total	4,401	2,965
Income tax expenses on other comprehensive income elements		
Income tax expenses on other comprehensive income elements	(729)	(343)
Total	(729)	(343)
Deferred tax assets		
Deferred tax on temporary differences	1,744	1,708
Total deferred tax assets	1,744	1,708
Movement in the deferred tax assets		
At 1 January	1,708	1,395
Movement to income statement	(122)	313
Increase as a result of a business combination	159	-
Exchange differences	-	(1)
At 31 December	1,744	1,708
Deferred tax liabilities		
Deferred tax on temporary differences	2,516	1,259
Total deferred tax liabilities	2,516	1,259
Movement in the deferred tax liabilities		
At 1 January	1,259	682
Movement to income statement	1,259	971
Movement to reserve	-	(396)
Exchange differences	(2)	2
At 31 December	2,516	1,259

Amounts in USD thousands	2022	2021
Reconciliation of the effective tax rate:		
Profit before income tax	10,654	6,184
Income tax using the Group's domestic tax rate of 22% (2021 - 22%)		
Effect of non-deductible expenses or non-taxable income	2	924
Effect of tax rates in other countries	(600)	(907)
Deferred tax assets not recognised	594	274
Withholding taxes	1,359	1,280
Utilisation or recognition of previously unrecognised tax losses	(79)	(102)
Income tax related to prior years	781	136
Income tax expense recognised in profit or loss	4,401	2,965

The Group has recognized deferred tax assets in respect of carry forward losses of its various subsidiaries as at 31 December 2022 and 2021. Management's projections of future taxable income and tax optimization strategies support the assumption that it is probable that sufficient taxable income will be available to utilise these deferred tax assets.

Deferred tax assets on the tax losses relating to certain subsidiaries have not been recognized by the Group, due to uncertainty of its recoverability. The use of these tax losses is subject to the certain provisions of the tax legislation of the respective countries in which the companies operate. The deferred tax assets not recognised of USD 594 thousands stated above is mainly related to tax losses carry forward.

Deferred taxes on unrealised foreign exchange gain or loss relating to long terms loans considered as net investment in subsidiaries are recognised in other comprehensive income and presented within equity in the foreign currency translation reserve. Other than these, the change in deferred tax assets and liabilities is primarily recorded in the consolidated income statement.

Deferred tax asset and deferred tax liabilities are presented separately due to different tax regimes.

Withholding taxes are included in the income tax expenses, to the extent that a income tax credit is available. The effect of the tax credit is reflected in the tax expense when there is reasonable assurance that the tax credit will be approved, which in many cases will be in a subsequent period.

Goodwill is not deductible for tax purposes.

Note 10. Earnings per share

Basic earnings per share are calculated by dividing the profit attributable to equity shareholders by the weighted average number of ordinary shares outstanding during the year, based on the following data:

Amounts in USD thousands	2022	2021
Profit (loss) after tax	6,253	3,218
Earnings per share (USD): basic	0.06	0.03
Earnings per share (USD): diluted	0.06	0.03
Weighted average number of shares (thousands)	99,850	95,075

The following instruments that could potentially dilute basic earnings per share in the future. Of the total, approximately 8,097,000 instruments have been included in the calculation of diluted earnings per share.

Number of instruments that might be dilutive in future periods (in thousands)	2022	2021
Employee share options (note 16)	10,805	17,765
Conditional warrants	1,000	2,000
Consideration shares	664	664
Total number of options and warrants	12,469	20,429

Note 11. Property, plant and equipment

Amounts in USD thousands	Fixtures and office equipment	Vehicle	Total
Cost			
At 1 January 2021	2,291	88	2,379
Additions	534	-	534
Disposals	(308)	-	(308)
Write-off/ transfers	192	-	192
Exchange differences	120	-	120
At 31 December 2021	2,830	88	2,918

Amounts in USD thousands	Fixtures and office equipment	Vehicle	Total
Additions	1,742	-	1,742
Acquisition of subsidiary	120	-	120
Disposals	(131)	-	(131)
Write-off/ transfers	221	-	221
Exchange differences	275	-	275
At 31 December 2022	5,058	88	5,146

Accumulated depreciation

Amounts in USD thousands	Fixtures and office equipment	Vehicle	Total
At 1 January 2021	1,133	34	1,166
Charge for the year	708	21	729
Disposals	(277)	-	(277)
Write-off/ transfers	220	-	220
Exchange differences	(56)	(1)	(57)
At 31 December 2021	1,728	54	1,781

Amounts in USD thousands	Fixtures and office equipment	Vehicle	Total
Charge for the year	1,104	18	1,122
Disposals	(87)	-	(87)
Write-off/ transfers	277	-	277
Exchange differences	(55)	7	(48)
At 31 December 2022	2,967	78	3,045

Net book value at 31 December 2022	2,091	10	2,101
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Net book value at 31 December 2021	1,103	34	1,137
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Depreciation method	Straight line	Straight line	
Useful life	2–5 years	5 years	

Note 12. Leases

The balance sheet shows the following amounts relating to leases:

Amounts in USD thousands	31 December 2022	31 December 2021
Right-of-use assets		
Buildings	7,899	3,608
Office equipment	4	21
	7,904	3,629
Lease liabilities		
Current	1,869	1,349
Non-current	6,922	2,481
	8,792	3,830

Additions to the right-of-use assets during the 2022 financial year were USD 5.6 million.

The statement of profit or loss shows the following amounts relating to leases:

Amounts in USD thousands	2022	2021
Depreciation charge of right-of-use assets		
Buildings	1,781	2,703
Office equipment	9	1
	1,790	2,704
Interest expense (included in finance expenses)		
	297	225
Expense relating to short-term leases (included in other operating expenses)		
	1,412	1,729

Movement in the Right-of-use assets

Amounts in USD thousands	Buildings	Office equipment	Total
At 1 January 2021	4,685	22	4,707
Additions of right-of-use assets	1,277	-	1,277
Amortisation	(2,696)	(9)	(2,704)
Exchange differences	349	-	349
At 31 December 2021	3,615	13	3,629
Additions of right-of-use assets	5,556	-	5,556
Acquisition of subsidiary	1,524		1,524
Amortisation	(1,781)	(9)	(1,790)
Exchange differences	(1,014)	-	(1,014)
At 31 December 2022	7,900	4	7,904

Refer to note 23 for further information regarding contractual undiscounted payments of the Group's leases.

Note 13. Goodwill and intangible assets

Amounts in USD thousands	Goodwill	Customer relations	Patents	Internally generated softwares	Total
Cost					
At 1 January 2021	28,835	3,561	-	-	32,396
Acquired through business combinations	635	-	-	-	635
Acquired through business combinations (PPA adjustment)	689	-	-	-	689
Effect of movements in exchange rates	(353)	-	-	-	(353)
At 31 December 2021	29,806	3,561	-	-	33,367
Amortisation and impairment					
At 1 January 2021	5,731	-	-	-	5,731
Amortisation charge	-	356	-	-	356
Effect of movements in exchange rates	(185)	-	-	-	(185)
At 31 December 2021	5,546	356	-	-	5,902
At 1 January 2022	5,546	356	-	-	5,902
Amortisation charge	-	384	46	66	495
Effect of movements in exchange rates	(405)	-	-	7	(398)
At 31 December 2022	5,141	740	46	72	5,999
Net book value at 31 December 2022	24,077	3,536	1,340	430	29,382
Net book value at 31 December 2021	24,260	3,205	-	-	27,465
Useful life	Tested for impairment	5 – 15 years	15 years	5 – 10 years	

All goodwill is allocated to cash-generating units. These cash-generating units represent the lowest level within the Group at which goodwill is monitored for internal management purposes. Goodwill denominated in foreign currencies is revalued at the balance sheet date. The allocation of goodwill to cash-generating units is as follows:

Amounts in USD thousands	31 December 2022	31 December 2021
Cash Generating Units (CGUs)		
Middle East	6,545	6,544
Asia Pacific	8,701	8,662
Europe	4,516	4,544
Americas	1,716	1,711
OWC	2,600	2,798
Total	24,077	24,260

Goodwill arising from the acquisitions is attributable to workforce of the acquired businesses (refer note 7). The goodwill amounts have been measured on a provisional basis. If new information obtained within one year of the date of acquisition about facts and circumstances that existed at the date of acquisition identifies adjustments to the above amounts, or any additional provisions that existed at the date of acquisition, then the accounting for the acquisition will be revised.

Goodwill is tested for impairment at least annually, or when there are indications of impairment. Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculations requires the directors to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. Where the actual future cash flows are less than expected, a material impairment loss may arise.

The company has completed an annual assessment of impairment indicators and performed an impairment test on assets and cash generating units (CGUs). The following assumptions were used:

Cash flow projections and assumptions

A 3 year forecast of discounted cash flows plus a terminal value (Gordon's growth model) was used to determine net present value of each CGU. Discounted cash flows were calculated before tax.

Estimated future cash flows for the different CGUs are estimated based on budgets and long-term estimates. The estimated cash flows for year 2023 is based on budget. The estimated cash flows in the years 2024-2025 are based on current 3-year forecasts for each CGUs. The projected cash flows are based on the expected development in the total overall market, the CGUs performance and that ABL Group over time will reach a margin level in line with what other businesses within the industry historically have achieved.

Cash flows have been used over a period of three years as management believes this reflects a reasonable time horizon for management to monitor the trends in the business. After three years a terminal growth rate has been set to 1.5% for the Oil & Gas and Maritime businesses and 1.7% for the Renewable businesses.

This is somewhat below OECD market forecasts for growth in energy demand and markets until 2040. While Oil & Gas activities are not assumed to have infinite lives, ABL Group's core competence is applicable across multiple energy markets, and it is assumed that in the long term Oil & Gas clients will be replaced by customers with similar demands from energy transition activities and other industries. The estimated terminal long-term growth is mainly dependent on overall market growth for demand for our services and the CGUs ability to recruit the right personnel and its ability to create revenue growth through then proper utilization of human resources.

Discount rate

The discount rate used is the weighted average cost of capital (WACC) using capital asset pricing model (CAPM). The discount rate for each CGU is derived as the WACC for a similar business in the same business environment. The input data is gathered from representative sources and this is used for management's best estimate of WACCs. All parameters were set to reflect the long term period of the assets and time horizon of the forecast period of the cash flows.

Key inputs in determining the WACC:

- Risk free interest rate: 10year government yield
- Asset beta: Based on selected peer group consisting of companies with statistical data for the last 5 years (1.04)
- Capital structure: Equity ratio of 80%

The cash flows were discounted using WACC of 12.3%.

Impairment test results and conclusion:

Overall the test performed indicated the value in use exceeds the carrying amounts for all CGUs. As a result of the above, no impairment has been recorded during the year.

Sensitivity to impairment

Sensitivity calculations are done for all CGUs that are tested for impairment. To test the sensitivity of the results of the impairment review, the calculations have been re-performed using the following assumptions:

- An increase in discount rate of 2.0% points
- A reduction in the EBITDA margin of 3.0% points in the terminal year
- A reduction in terminal growth rate to 0.5% points

The results indicated that a combined change in all the three assumptions in the sensitivity analysis would result in a value in use exceeds the carrying amounts for all CGUs.

Note 14. Trade and other receivables

Amounts in USD thousands	31 December 2022	31 December 2021
Trade receivables	33,280	34,738
Loss allowance	(836)	(1,107)
	32,444	33,631
Prepayments	3,427	3,652
Deposits	1,122	1,172
Other receivables	4,409	4,781
Total	41,400	43,235

Trade receivables are amounts due from customers for services performed in the ordinary course of business. They are generally due for settlement within 30 to 90 days and are therefore all classified as current, terms associated with the settlement vary across the Group. Trade receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, when they are recognised at fair value. The group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. Details about the group's impairment policies and the calculation of the loss allowance are provided in note 23.

Deposits includes USD 0.2 million (2021: USD 0.2 million) which are under lien marked as margin money deposits.

Note 15. Cash and cash equivalents

Amounts in USD thousands	31 December 2022	31 December 2021
Cash at bank and in hand	30,974	19,815
Total	30,974	19,815

Cash at banks earns interest at floating rates based on daily bank deposit rates.

Cash and cash equivalents largely comprise bank balances denominated in US Dollars, Norwegian Krone, British Pound, and other currencies for the purpose of settling current liabilities.

The Group has restricted cash at banks of USD 159 thousands at 31 December 2022 (2021: USD 283 thousands) held in the bank accounts of certain entities where there is requirement to hold a certain amount of cash to cover future obligations and are therefore not available for general use by the other entities within the group.

Note 16. Equity

Amounts in USD thousands	Number of shares (thousands)	Share capital	Share premium	Total
At 1 January 2021	92,548	1,276	67,080	68,355
Cash-settled capital increase (net of transaction costs)	4,375	41	2,260	2,301
Shares issued as consideration for business combination	-	6	1,048	1,054
Dividends paid	-	-	(5,476)	(5,476)
At 31 December 2021	96,923	1,323	64,912	66,235
Cash-settled capital increase (net of transaction costs)	7,847	53	1,694	1,746
Shares issued as consideration for business combination	-	26	2,680	2,706
Dividends paid	-	-	(5,936)	(5,936)
At 31 December 2022	104,770	1,402	63,349	64,751

Each ordinary share has a par value of NOK 0.10 per share. They entitle the holder to participate in dividends, and to share in the proceeds of winding up the company in proportion to the number of and amounts paid on the shares held. On a show of hands every holder of ordinary shares present at a meeting, in person or by proxy, is entitled to one vote, and on a poll each share is entitled to one vote.

The company does not have a limited amount of authorized capital.

In 2022, 7,847,279 ordinary shares (2021: 4,375,000 ordinary shares) were issued. The Company incurred USD 24 thousand (2021: USD 0.3 million) in transaction costs that were directly attributable to the issuance of shares.

Share-based compensation reserve

The share-based compensation reserve arises on the grant of share options to employees under the employee share option plans. Further information about share-based payments to employees is set out below.

Employee share option plan

Under the 2022 Long Term Incentive Plan ("LTIP"), the Company has granted a total of 1,000,000 share options to selected employees, where each option will give the holder the right to acquire one share in ABL Group ASA. The options were granted without consideration. The grant of options was based on the authorization granted by the 2022 annual general meeting to issue new shares in connection with the Company's employee incentive program.

Subject to certain conditions, the option holders are obligated to reinvest 25 percent of the pre-tax net gain on the options in ABL Group ASA shares, and to hold these shares for up to three years following exercise. One third of these shares will be released from this obligation for every year following exercise.

The Board of Directors may choose to settle the options by way of cash settlement in lieu of issuing new shares. Exercise terms may be reasonably adjusted by the Board of Directors in the event of dividend payments, share splits or certain other events relating to the equity share capital of the Company.

Set out below are summaries of options granted under the plan:

In thousands of options	2022		2021	
	Number of share options	Weighted average exercise price NOK	Number of share options	Weighted average exercise price NOK
At 1 January	17,765	4.80	8,315	4.02
Granted during the year	1,000	12.64	11,255	5.80
Exercised during the year	(5,265)	3.37	(45)	3.57
Adjusted during the year	90	3.57	70	5.79
Expired during the year	-	-	(125)	4.82
Forfeited during the year	(2,785)	4.44	(1,705)	4.79
At 31 December	10,805	6.17	17,765	4.80

Share options outstanding at the end of the year have the following expiry dates and exercise prices:

Grant date	Expiry date	Exercise price NOK	31 December 2022	31 December 2021
20/12/19	11/3/23	3.57	630	7,335
4/5/21	14/9/24	5.79	9,175	10,430
22/12/22	11/7/25	12.64	1,000	-
			10,805	17,765
Weighted average remaining contractual life of options outstanding at end of period			2.06	1.95

These fair values for share options granted during the year were calculated using The Black-Scholes-Merton option pricing model. The inputs into the model were as follows:

Amounts in NOK	2022	2021
Weighted average share price	14.35	8.32
Weighted average exercise price	12.64	6.10
Expected volatility	53.67%	58.37%
Expected life	3.30	3.36
Risk free rate	3.04%	0.73%
Expected dividend yield	0%	0%

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

The Group recognised total expenses of USD 1.4 million and USD 1.5 million arising from share-based payment in 2022 and 2021 respectively.

Note 17. Bank borrowings

Amounts in USD thousands	31 December 2022		31 December 2021	
	Current	Non-current	Current	Non-current
Bank loans	13,337	-	8,333	3,328
Total	13,337	-	8,333	3,328

To finance the acquisition of Add Energy (refer note 7), in August 2022, by amending the Original Facilities Agreement, the company obtained an additional term loan of USD 5 million which is repayable in December 2023.

The original facilities agreement consisted of two parts, (i) a term loan of USD 10 million, and (ii) a revolving credit facility of USD 5 million to be renewed annually, both with a maturity of three years and with the following financial covenants:

- Minimum EBITDA of USD 7 million on a rolling 12-month basis; and
- NIBD (Net Interest Bearing Debt) < 0 at all times.

The interest on above loans is the relevant LIBOR (1, 3 or 6 months at the borrower's discretion) plus a margin of 320 basis points. The term loan is to be repaid through 12 equal instalments on the last day of each financial quarter, the first time on 31 March 2021. For the majority of the borrowings, the fair values are not materially different from their carrying amounts, since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short-term nature. The group incurred total interest cost of USD 0.7 million (2021: USD 0.5 million) on above loans. These costs have been included in finance expenses in the consolidated income statement.

The Group's obligations under the Facility Agreement are guaranteed by the Company and certain material group companies.

The movement during the year was as follows:

Amounts in USD thousands	2022	2021
At 1 January	11,661	15,083
Additional borrowing	5,000	-
Payments during the year	(3,333)	(3,422)
Other movement	9	-
At 31 December	13,337	11,661

Note 18. Provisions

Amounts in USD thousands	31 December 2022		31 December 2021	
	Current	Non-current	Current	Non-current
Provision for employees' end of service benefits	-	3,058	-	2,714
Total	-	3,058	-	2,714

Provision for employees' end of service benefits

In accordance with the provisions of IAS 19, management has carried out an exercise to assess the present value of its obligations at 31 December 2022 and 2021, using the projected unit credit method, in respect of employees' end of service benefits payable under the Labour Laws of the countries in which the Group operates. Under this method, an assessment has been made of an employee's expected service life with the Group and the expected basic salary at the date of leaving the service. The obligation for end of service benefits is not funded. Refer to note 5 for further information regarding pension schemes.

The movement in the provisions during the year was as follows:

Amounts in USD thousands	2022	2021
At 1 January	2,714	2,224
Provisions made during the year	571	634
Payments during the year	(227)	(143)
At 31 December	3,058	2,714

Note 19. Trade and other payables

Amounts in USD thousands	31 December 2022	31 December 2021
Trade payables	5,651	7,689
Accrued employee benefits	6,424	4,826
Taxation and social security contributions	4,852	3,829
Other accrued expenses and payables	8,964	8,124
Total	25,890	24,467

Trade payables have an average term of three to six months. These amounts are non-interest bearing.

Note 20. Fair values of financial assets and financial liabilities

Amounts in USD thousands	Measurement category	Carrying amount		Fair value	
		31 December 2022	31 December 2021	31 December 2022	31 December 2021
Financial assets					
Trade and other receivables	Amortised cost	37,973	39,584	37,973	39,584
Contract assets	Amortised cost	13,394	18,101	13,394	18,101
Cash and cash equivalents	Amortised cost	30,974	19,815	30,974	19,815
Total		82,341	77,500	82,341	77,500
Financial liabilities					
Trade and other payables	Amortised cost	25,890	24,467	25,890	24,467
Contract liabilities	Amortised cost	1,535	949	1,535	949
Bank borrowings	Amortised cost	13,337	11,661	13,538	11,974
Total		40,761	37,077	40,963	37,390

The financial assets principally consist of cash and cash equivalents and trade and other receivables arising directly from operations. The financial liabilities principally consist of a trade and other payables and bank borrowings arising directly from operations.

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- Cash and bank deposits, trade and other current receivables, trade and other current payables and bank borrowings approximate their carrying amounts due to the short-term maturities of these instruments.

Note 21. Related Party

Related party relationships are those involving control, joint control or significant influence. Related parties are in a position to enter into transactions with the company that would not be undertaken between unrelated parties. There has been no significant transactions with related parties in 2022.

Compensation to Board of Directors

Amounts in USD thousands	2022	2021
Glen Rødland, Chairman	56	43
Yvonne Litsheim Sandvold	21	21
Synne Syrrist	26	24
Rune Eng	21	-
Ronald Series	-	21
Total	124	109

Compensation to Executive Management

2022	Salary	Bonus	Pension	Other	Total
Reuben Segal, CEO	299	4	-	158	461
Bader Diab, COO	310	5	12	126	453
Dean Zuzic, CFO	246	7	23	1	277
RV Ahilan, Chief Energy Transition Officer	215	3	-	11	229
Svein Staaen, General Counsel	206	6	22	3	237
Will Cleverly, CEO OWC	173	2	18	20	213
Total	1,448	27	75	319	1,870

2021	Salary	Bonus	Pension	Other	Total
David Wells, CEO	295	7	57	62	422
Dean Zuzic, CFO	280	-	25	1	306
Reuben Segal, COO	238	7	-	130	374
RV Ahilan, Chief Energy Transition Officer	239	10	-	47	296
Svein Staaen, General Counsel	224	6	23	3	256
Total	1,276	30	106	243	1,654

According to the Norwegian Public Limited Companies Act (the "Act") section 6-16a, the Board of Directors have prepared a statement on the establishment of wages and other remuneration for the Managing Director and other senior employees (note 22).

At 31 December 2022 there are no loan or prepayments to Board of Directors, Executive Management or any other related parties.

There are no additional options issued, except for the options mentioned in note 16.

Shares and options owned by members of the Board of Directors and Executive Management at 31 December 2022

Name	Number of options	Number of shares
Board of Directors		
Glen Rødland, Chairman	-	14,890,351 ¹
Yvonne Litsheim Sandvold	-	-
Synne Syrrist	-	-
Rune Eng	-	198,407 ²
David Wells	135,000	1,073,051 ³
Executive Management		
Reuben Segal, CEO	-	1,933,000 ⁴
Bader Diab, COO	-	1,652,695
Dean Zuzic, CFO	135,000	0
RV Ahilan, Chief Energy Transition Officer	260,000	737,705
Svein Staaen, General Counsel	135,000	202,864
Will Cleverly, CEO OWC	100,000	178,931
Total	765,000	20,867,004

¹ The shares are held through Gross Management AS.

² The shares are held through Eng Invest AS.

³ The shares are held through Banque Pictet & Cie SA

⁴ The shares are held through Saxo Bank AS on behalf of AnAm Marine

Note 22. Statement regarding the determination of salary and other remuneration to executive management

In this statement, executive management means CEO, CFO and other executives who are employed at the same level in the organisation.

The Company's salary policy for executive management – main principles for 2022

Due to the international scope of its business, ABL Group has to compete on the international market when it comes to salaries for executive management. In order to reach the ambition of becoming one of the leading participants within its line of consultancy business, ABL Group is dependent on offering salaries making the Company able to recruit and keep skilled managers. In order to ensure the best possible leadership the Company must offer a satisfactory salary, which is internationally competitive. Remuneration report will be made available on www.abl-group.com.

Salaries and other remuneration

It is the Company's policy that management remuneration primarily shall take the form of a fixed monthly salary, reflecting the level of the position and experience of the person concerned. In principle pension plans, where offered, shall be on the same level for management as is generally agreed for other employees. The Company has a bonus plan in place for its employees.

In 2019 the Company implemented a long-term incentive plan (the "LTIP") aimed to align the interests of the participating employees with those of the Company's shareholders. Under the LTIP, the Company has granted share options to selected employees, where each option will give the holder the right to acquire one share in ABL Group ASA. The options are granted without consideration. The grant of options is subject to authorization as granted by the shareholders to issue new shares in connection with the Company's employee incentive program.

Specific conditions and limits with regards to the bonus and share purchase plan are regulated by the overall allocation parameters approved by the Board.

Termination payment agreements, where provided, will be seen in connection with confidentiality clauses and non-compete clauses in the employment contract of each employee, in such a way that they basically compensate for limitations in the employee's opportunities to seek new employment. When agreements extend beyond such limitations, other income shall normally be deducted from payments made under termination payment agreements.

Deviations from the above described principles may be done under special circumstances, i.e. in relation to employment in international competition.

Note 23. Financial instruments

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange and interest rate risk), liquidity risk and credit risk. These risks are evaluated by management on an ongoing basis to assess and manage critical exposures. The Group's liquidity and market risks are managed as part of the Group's treasury activities. Treasury operations are conducted within a framework of established policies and procedures.

Market risk – foreign exchange risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign currency rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily the Group's operating activities (when revenue or expense is denominated in a different currency from the Group's presentation currency), the Group's net investments in foreign subsidiaries, and the Group's foreign currency denominated cash deposits. The operating revenue, and thus the trade receivables, of the Group is primarily denominated in USD, while operating expenses are generally denominated in the functional currency of the Group's entities.

The bank accounts in currencies other than the functional currencies will expose the group to foreign currency risk. The major part of foreign bank accounts is in ABL Group ASA. Changes in the USD exchange rate would have had the following effect on the profit and loss of the group:

Changes in currency exchange rates Amount in USD thousands	+5% changes in rates	-5% changes in rates
31 December 2022		
US Dollars (USD)	221	(221)
31 December 2021		
US Dollars (USD)	157	(157)

Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's cash and cash equivalents and the bank borrowings. Both risks are considered to have limited effect on the Group's financial statements.

Liquidity risk

Liquidity risk is the potential loss arising from the Group's inability to meet its contractual obligations when due. Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. The Group monitors its risk to a shortage of funds using cash flow forecasts. The Group is in a build-up phase and currently the strategy is to fund the growth of the business through existing cash reserves and from shareholder's equity. The Group had cash and cash equivalents of USD 31.0 million at 31 December 2022 (2021: USD 19.8 million). Based on the current cash position, the Group assesses the liquidity risk to be low.

The table below summarizes the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

Amounts in USD thousands	Carrying amount	Contractual cash flow	Less than 1 year	Between 1 to 5 years
31 December 2022				
Trade and other payables	25,890	25,890	25,890	-
Bank borrowings	13,337	13,538	13,538	-
Lease liabilities	8,792	10,234	2,605	7,629
31 December 2021				
Trade and other payables	24,467	24,467	24,467	-
Bank borrowings	11,661	11,974	8,554	3,420
Lease liabilities	3,830	4,117	1,480	2,637

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables and contract assets) and from its financing activities, including deposits with banks. Credit risk is managed on a Group basis.

Credit risk with respect to trade receivables and contract assets is limited by the large base and geographic diversity of the customer base. Customer credit risk is managed by each subsidiary in the Group, subject to established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed on an individual basis, considering its financial position, trading history with the group and existence of previous financial difficulties and outstanding customer receivables are regularly monitored.

The requirement for an impairment is analyzed at each reporting date on an individual basis for major customers. The group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets. To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due with reference to past default experience of the debtor, an analysis of the debtor's current financial position and general current and forecast economic conditions of the industry in which the debtors operate. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

An impairment analyses is performed at each reporting date using a provision matrix to measure expected credit losses. The expected loss rates are based on the days past due for grouping of various customer segments and the corresponding historical credit losses experienced. The historical loss rates are adjusted to reflect current and forward looking information including the default risk associated with the industry and country in which customers operate affecting the ability of the customers to settle the receivables.

Specific debts are provided for where recovery is deemed uncertain, which will be assessed on a case-by-case basis whenever debts are older than the due date, but always when debts are older than usual for the industry in which each business in the Group operates.

The ageing profile of trade receivables and contract assets balance as at 31 December 2022 is as follows:

Amounts in USD thousands	31 December 2022	31 December 2021
Trade receivables		
Up to 3 months	25,113	24,517
3 to 6 months	2,903	3,955
6 to 12 months	2,807	3,576
Over 12 months	1,621	1,584
Total	32,444	33,632
Contract assets	13,394	18,101
Total	45,838	51,733

As at 31 December 2022 and 2021 the lifetime expected loss provision for trade receivables and contract assets is as follows:

Amounts in USD thousands	Up to 3 months	3 to 6 months	6 to 12 months	Over 12 months	Total trade receivables	Contract assets	Total
31 December 2022							
Carrying amount	25,249	2,956	2,935	2,140	33,280	13,537	46,817
Expected loss rate	0.5%	1.8%	4.4%	24.2%		11%	2.1%
Loss allowance	136	53	128	519	836	143	979
31 December 2021							
Carrying amount	24,655	4,021	3,671	2,393	34,739	18,240	52,980
Expected loss rate	0.6%	1.6%	2.6%	33.8%		0.8%	2.4%
Loss allowance	138	66	95	808	1,107	139	1,246

Trade receivables and contract assets are written off when there is information indicating that the debtor is in severe financial difficulty and there is no reasonable expectation of recovery. Impairment losses on trade receivables and contract assets are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

The movement in the loss allowance in respect of trade receivables and contract assets during the year was as follows:

Amounts in USD thousands	Trade receivables		Contract assets	
	2022	2021	2022	2021
At 1 January	1,107	931	139	146
Net remeasurement of loss allowance	628	249	4	(7)
Amounts written-off	(899)	(73)	-	-
At 31 December	836	1,107	143	139

The credit risk on deposits with banks is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies. At the end of the reporting period, there were no significant concentrations of credit risk. The maximum exposure to credit risk at the reporting date is the carrying value cash deposits with bank of USD 31.0 million (2021: USD 19.8 million).

Capital management

The group's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

The Group manages its capital structure so as to maintain investor and market confidence and to provide returns to shareholders that will support the future development of the business. In order to maintain or adjust the capital structure if required in response to changes in economic conditions, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. The Group considers its capital as consisting of ordinary shares and retained earnings.

The Board monitors underlying business performance to determine the ongoing use of capital, namely executive and staff incentive schemes (and whether to fund this through cash or share incentives), acquisition appraisals ahead of potential business combinations, investment in property, plant and equipment, and the level of dividends.

Note 24. Contingencies

Bank guarantees

As at 31 December 2022, performance and financial bank guarantees amounting to USD 1.5 million (2021: USD 1.5 million) were issued by the Group's bankers in the ordinary course of business.

Note 25. Segment information

The Group's businesses are managed by four geographical regions aside from Offshore Wind Consultants ("OWC"), Longitude and Add Energy, performance of which is monitored separately. This is the basis for the seven reportable segments of the Group. The internal management reports provided by management to the Group's Board of Directors, which is the groups decision maker, is in accordance with this structure. These segments comprise of entities within the geographical regions and OWC, Longitude and Add Energy forms the basis for the segment reporting presented below.

The following is summary of revenues and operating profit (loss) (EBIT) for entities in four geographical regions and OWC, Longitude and Add Energy. Eliminations reflects the eliminations of intra-group revenue to the extent that these arise within the regions and OWC, Longitude and Add Energy.

Amounts in USD thousands	2022	2021
Revenue		
Middle East	30,214	28,473
Asia Pacific	37,717	39,275
Europe	40,663	40,586
Americas	25,799	26,320
OWC	30,739	24,110
Longitude	11,191	8,882
Add Energy ¹	10,653	-
Eliminations	(19,080)	(16,899)
Total	167,897	150,748
Operating profit (loss) (EBIT)		
Middle East	3,927	2,387
Asia Pacific	5,411	3,248
Europe	3,709	1,727
Americas	1,072	1,518
OWC	2,066	1,216
Longitude	1,498	617
Add Energy ¹	(845)	-
Corporate group costs	(4,324)	(3,338)
Total	12,514	7,375

¹ Add Energy consolidated from 11 July 2022 to 31 December 2022

The following segment assets information provided to the Board of Directors for reportable segment consist primarily of trade receivables, contract assets and cash and cash equivalents for entities in different geographical areas and OWC, Longitude and Add Energy.

Amounts in USD thousands	31 December 2022		31 December 2021	
	Trade receivables	Contract assets	Trade receivables	Contract assets
Middle East	5,226	1,576	6,363	1,449
Asia Pacific	6,691	2,744	7,611	6,196
Europe	7,799	2,300	8,274	3,990
Americas	5,186	2,639	6,494	2,945
OWC	3,192	1,931	3,004	2,490
Longitude	894	1,258	1,884	1,033
Add Energy	3,455	946	-	-
Total	32,444	13,394	33,631	18,101

Cash and cash equivalents	31 December 2022	31 December 2021
Middle East	3,872	2,402
Asia Pacific	5,729	4,707
Europe	4,971	3,398
Americas	4,913	2,781
OWC	4,626	3,356
Longitude	803	1,139
Add Energy	1,710	-
Corporate group	4,350	2,032
Total	30,974	19,815

Information about other segment assets and liabilities is not reported to or used by the Board of Directors and, accordingly, no measures of other segment assets and liabilities are reported.

Note 26. List of subsidiaries

The group's principal subsidiaries at 31 December 2022 are set out below providing Marine, offshore and renewables consultancy services to the energy, shipping and insurance industries. Unless otherwise indicated, all shareholdings owned directly or indirectly by the Company represent 100% of the issued share capital of the subsidiary and the share capital is comprised of ordinary shares. All entities primarily operate in their country of incorporation.

Name of entity	Place of business / country of incorporation	Ownership interest 2022	Ownership interest 2021	Voting power 2022	Voting power 2021
ABL (Australasia) Pty Ltd	Australia	100%	100%	100%	100%
ABL Energy & Marine Consultants Pte Ltd	Singapore	100%	100%	100%	100%
ABL Group Korea Ltd	Republic of Korea	100%	100%	100%	100%
ABL Shanghai CO Ltd	China	100%	100%	100%	100%
ABL USA Inc	United States	100%	100%	100%	100%
Aqualis Offshore Serviços Ltda	Brazil	100%	100%	100%	100%
ABL Energy & Marine Consultants (Canada) Ltd	Canada	100%	100%	100%	100%
ABL Group Holding Limited ¹	United Kingdom	100%	100%	100%	100%
ABL Marine Services LLC ²	Qatar	49%	49%	100%	100%
A B L Marine Services LLC ²	United Arab Emirates	49%	49%	100%	100%
Aqualis Offshore UK Ltd	United Kingdom	100%	100%	100%	100%
ABL Adjusting Limited	United Kingdom	100%	100%	100%	100%
ABL Energy & Marine Consultants South Africa (Pty) Ltd	South Africa	100%	100%	100%	100%
ABL Teknik Servis Denizcilik Limited Sirketi	Turkey	100%	100%	100%	100%
ABL London Limited	United Kingdom	100%	100%	100%	100%
AB (Residual) Pty Ltd	Australia	100%	100%	100%	100%
ABL Energy & Marine Consultants India Pvt Ltd	India	100%	100%	100%	100%
PT ABL Offshore Indonesia	Indonesia	100%	100%	100%	100%
ABL Consultants Malaysia Sdn Bhd	Malaysia	49%	49%	51%	51%
ABL Technical Services Pte Ltd	Nevis	100%	100%	100%	100%
ABL Consultants (Thailand) Co Ltd	Thailand	49%	49%	51%	51%
ABL Vietnam Company Ltd	Vietnam	100%	100%	100%	100%
ABL Technical Services Holdings Ltd ¹	United Kingdom	100%	100%	100%	100%
OWC (Aqualis) GmbH	Germany	100%	100%	100%	100%
Offshore Wind Consultants Ireland Limited	Ireland	100%	100%	100%	100%
Offshore Wind Consultants Taiwan Co. Limited	Taiwan	100%	100%	100%	100%
Offshore Wind Consultants Limited ¹	United Kingdom	100%	100%	100%	100%

Name of entity	Place of business / country of incorporation	Ownership interest 2022	Ownership interest 2021	Voting power 2022	Voting power 2021
OWC Japan Ltd.	Japan	100%	100%	100%	100%
Offshore Wind Consultants sp. z o.o	Poland	100%	100%	100%	100%
Innosea Limited	United Kingdom	100%	100%	100%	100%
Innosea SAS	France	100%	100%	100%	100%
East Point Geo Ltd. (UK) ¹	United Kingdom	100%	100%	100%	100%
LOC (Egypt) for Consultancy Service SAE ¹	Egypt	60%	60%	60%	60%
LOC (Germany) GmBH	Germany	100%	100%	100%	100%
LOC (Guernsey) Limited	Guernsey	100%	100%	100%	100%
LOC (Kazakhstan) LLP	Kazakhstan	100%	100%	100%	100%
LOC (Netherlands) BV	Netherlands	100%	100%	100%	100%
LOC Senegal	Senegal	100%	100%	100%	100%
LOC (Tianjin) Co. Ltd.	China	100%	100%	100%	100%
LOC (Tianjin) Risk Technology Service Co. Ltd.	China	100%	100%	100%	100%
LOC Group Limited	United Kingdom	100%	100%	100%	100%
LOC (Laem Chabang) Co. Ltd.	Thailand	100%	100%	100%	100%
ABL Aberdeen Limited	United Kingdom	100%	100%	100%	100%
London Offshore Consultants (France) SARL	France	100%	100%	100%	100%
London Offshore Consultants (Guernsey) Limited	Guernsey	99%	99%	99%	99%
London Offshore Consultants Holdings Ltd.	United Kingdom	100%	100%	100%	100%
London Offshore Consultants (India) Private Limited	India	100%	100%	100%	100%
London Offshore Consultants (Malaysia) SDN BHD ²	Malaysia	49%	49%	49%	49%
London Offshore Consultants (Nigeria) Limited	Nigeria	100%	100%	100%	100%
London Offshore Consultants (Qatar) LLC ²	Qatar	49%	49%	49%	49%
London Offshore Consultants (Korea) Ltd.	Republic of Korea	100%	100%	100%	100%
London Offshore Consultants Limited	United Kingdom	100%	100%	100%	100%
London Offshore Consultants (Mexico) SA de CV	Mexico	100%	100%	100%	100%
ABL Norway AS	Norway	100%	100%	100%	100%
London Offshore Consultants Pte Limited	Singapore	100%	100%	100%	100%
London Offshore Consultants WLL ²	United Arab Emirates	49%	49%	49%	49%
Longitude Consultancy Holdings Limited	United Kingdom	100%	100%	100%	100%
Longitude Consultants Inc.	United States	100%	100%	100%	100%
Longitude Consulting Engineers Limited	United Kingdom	100%	100%	100%	100%
Longitude Engineering de Mexico SA de CV	Mexico	100%	100%	100%	100%

Name of entity	Place of business / country of incorporation	Ownership interest 2022	Ownership interest 2021	Voting power 2022	Voting power 2021
Longitude Engineers PTE Limited	Singapore	100%	100%	100%	100%
Neptune Bidco Limited	United Kingdom	100%	100%	100%	100%
Neptune Midco 1 Limited ¹	United Kingdom	100%	100%	100%	100%
Neptune Midco 2 Limited	United Kingdom	100%	100%	100%	100%
London Offshore Consultants Brasil Ltda.	Brazil	100%	100%	100%	100%
ABL HK Limited	Hong Kong	100%	100%	100%	100%
LOC JLA Inc.	United States	100%	100%	100%	100%
John LeBourhis & Associates	United States	100%	100%	100%	100%
Add Energy Group AS ¹	Norway	100%	0%	100%	0%
Add Latent Limited	United Kingdom (Scotland)	100%	0%	100%	0%
Add Energy Scotland Limited	United Kingdom (Scotland)	100%	0%	100%	0%
Add Energy & Partners LLC	Oman	50%	0%	50%	0%
Add Energy North America Holding AS	Norway	100%	0%	100%	0%
Add Energy North America Holding LLC	United States	100%	0%	100%	0%
Add Energy LLC	United States	100%	0%	100%	0%
Add Energy Offshore LLC	United States	100%	0%	100%	0%
Add Energy Canada Ltd	Canada	100%	0%	100%	0%
Add Energy Australasia Pty Ltd	Australia	100%	0%	100%	0%
Add Lucid Pty Ltd	Australia	100%	0%	100%	0%
Transitory Pty Ltd	Australia	100%	0%	100%	0%
Oracle Services Pty Ltd	Australia	100%	0%	100%	0%
Add IPS Pty Ltd	Australia	100%	0%	100%	0%
Lucid Unit Trust	Australia	100%	0%	100%	0%
Add Energy Asia Pte Ltd	Singapore	100%	0%	100%	0%
Add ISRM Pty Ltd	Australia	100%	0%	100%	0%
Add Wellflow AS	Norway	100%	0%	100%	0%
TSP / Total Service Partner AS	Norway	32.5 %	0%	32.5 %	0%
ABL Marine Services Limited	Saudi Arabia	60.0 %	0%	60.0 %	0%

¹ Investments held directly by ABL Group ASA

² The remaining legal ownership in each case is registered in the name of a local sponsors in accordance with statutory regulations of those countries, who has assigned all the economic benefits attached to their shareholdings to the Group entity. The Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity via management agreements and, accordingly, these entities are consolidated as wholly owned subsidiaries in these consolidated financial statements (Note 3).

Note 27. Shareholder information

The list of top 20 shareholders below is based on the shareholder register as per 31 December 2022. Actual shareholding may deviate due to the use of nominee accounts.

Name of shareholder	No. of shares	% ownership
Gross Management AS	14,890,351	14.2 %
Holmen Spesialfond	10,450,000	10.0 %
Bjørn Stray	6,017,743	5.7 %
Melesio Invest AS	4,811,016	4.6 %
Sober AS	3,500,000	3.3 %
Hausta Investor AS	2,725,852	2.6 %
KRB Capital AS	2,539,065	2.4 %
Valorem AS	2,400,000	2.3 %
MP Pensjon PK	2,151,128	2.1 %
Saxo Bank AS	2,022,893	1.9 %
Mustang Capital AS	2,000,000	1.9 %
Trapesa AS	1,708,485	1.6 %
Catilina Invest AS	1,685,339	1.6 %
Badreddin Diab	1,652,695	1.6 %
Amphytron Invest AS	1,600,339	1.5 %
DNB BANK ASA	1,582,279	1.5 %
Ginko AS	1,428,480	1.4 %
Carnegie Investment Bank AB	1,363,000	1.3 %
CARUCEL FINANCE AS	1,300,000	1.2 %
The Bank of New York Mellon	1,261,662	1.2 %
Total	67,090,327	64.0 %

At 31 December 2022, the Company had 2,009 shareholders (2021: 2,090), and 16.8% (2021: 16.1%) of the shares of the Company were held by foreign registered shareholders.

Note 28. Events after the reporting period

Subsequent to balance sheet date, on 18 April 2023, the Company has completed the acquisition of 100 percent of the shares in multi-disciplinary engineering consultancy and software company AGR AS ("AGR").

The acquisition will bolster ABL Group's offering within well and reservoir consultancy, enhances the group's position supporting operators' digitalisation and decarbonisation plans, and expand its opex-driven offshore energy exposure.

The company is headquartered in Oslo, Norway, with additional offices in Stavanger, Bergen and Tromsø in Norway; Perth, Western Australia; and Aberdeen, UK. AGR consists of 377 personnel, of which 196 are AGR employees, and 181 are associates/independent consultants.

The transaction values AGR at NOK 262.5 million (equivalent to USD 25.1 million at current FX rates) on a cash and debt free basis. The equity purchase price of NOK 277.8 million (USD 26.5 million), which includes a NOK 15.3 million (USD 1.5 million) adjustment for net cash and normalised net working capital in AGR, is based on a "locked box" balance sheet as of 31 December 2022, and further adjusted for leakage inter alia from carve-out transactions and excess cash distribution.

Details of the preliminary purchase consideration, the net assets acquired and goodwill are as follows:

The following table summarises fair value of purchase consideration:

Amounts in USD thousands	
Purchase consideration	
Cash consideration	509
Consideration shares	28,456
Total purchase consideration	28,964

The purchase price consideration consists of a combination of cash consideration and consideration shares in the Company as follows:

- NOK 272.5 million settled through issuance of 18,166,667 ordinary ABL Group shares (the "Consideration Shares"), representing 14.8% of outstanding shares post-issue. The fair value of the consideration shares of USD 28.5 million, is based on the share price of the Company on 18 April 2023 of NOK 16.4 per share, which was the closing share price on the completion day of the acquisition.
- NOK 5.3 million (USD 0.5 million) (the "Cash Consideration"), settled in cash on completion

The following table summarises fair value of net assets acquired:

Amounts in USD thousands	
Fair value of net assets acquired	
Property, plant and equipment	266
Right of use assets	1,236
Intangible assets - internally generated softwares	2,418
Intangible assets - brand and customer relations	8,110
Deferred tax assets	3,535
Trade and other receivables	10,702
Contract assets	5,201
Cash and cash equivalents	5,902
Trade and other payables	(14,663)
Deferred tax liabilities	(1,992)
Long term liabilities	(1,545)
Net identifiable assets acquired	19,170
Leakage adjustment	
Leakage adjustment	(6,909)
Non-controlling interests	
Non-controlling interests	(3,489)
Goodwill	
Goodwill	20,193
Net assets acquired	28,964
Net cash flow on acquisition	
Cash acquired	5,902
Cash paid	(509)
Net cash flow	5,393

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Income statement

Amounts in NOK thousands	Notes	2022	2021
Revenues	2	13,235	12,335
Total revenue		13,235	12,335
Staff costs	3	(15,041)	(11,122)
Other operating expenses	4	(9,978)	(10,331)
Depreciation		(6)	(6)
Operating profit (loss) (EBIT)		(11,791)	(9,124)
Finance income	5	34,923	35,340
Finance expenses	5	(6,404)	(4,109)
Net foreign exchange gain (loss)	5	31,230	9,945
Profit (loss) before income tax		47,958	32,052
Income tax expense	6	(10,065)	(6,371)
Profit (loss) after tax		37,893	25,681

Balance Sheet

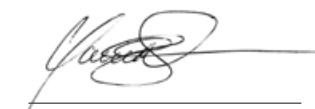
Amounts in NOK thousands	Notes	31 December 2022	31 December 2021
ASSETS			
Non-current assets			
Property, plant and equipments	15	15	22
Investment in subsidiaries	7	257,132	232,402
Non-current portion of receivables	8	423,427	329,424
Total non-current assets		680,574	561,847
Current assets			
Trade and other receivables	9	33,718	26,944
Cash and cash equivalents	10	32,601	5,869
Total current assets		66,319	32,813
Total assets		746,893	594,660
EQUITY AND LIABILITIES			
Equity			
Share capital	11, 12	10,477	9,692
Consideration shares	12	9,892	16,396
Other paid-up capital	12	504,528	454,805
Total equity		524,897	480,894
Non-current liabilities			
Deferred tax liabilities	6	9,688	6,803
Bank borrowings	14	-	28,593
Total non-current liabilities		9,688	35,396

Amounts in NOK thousands	Notes	31 December 2022	31 December 2021
Current liabilities			
Trade and other payables	13	84,243	6,888
Bank borrowings	14	128,065	71,482
Total current liabilities		212,308	78,370
Total liabilities		221,996	113,766
Total equity and liabilities		746,893	594,660

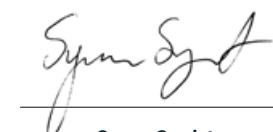
Oslo, 26 April 2023



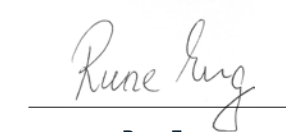
Glen Rødland
Chair of the Board



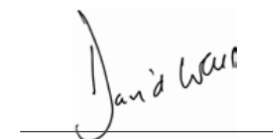
Yvonne L. Sandvold
Board member



Synne Syrrist
Board member



Rune Eng
Board member



David Wells
Board Member



Reuben Segal
CEO

Statement of Cash Flows

Amounts in NOK thousands	Notes	2022	2021
Cash flow from operating activities			
Profit (loss) before income tax		47,958	32,052
Non-cash adjustment to reconcile profit before tax to cash flow:			
Depreciation		6	6
Dividend income		(1,962)	(1,704)
Reversal of impairment		-	(1,528)
Changes in working capital:			
Changes in trade and other receivables		22,518	(13,883)
Changes in trade and other payables		70,175	(11,698)
Interest expenses		6,404	4,108
Cash flow from (used in) operating activities		145,099	7,353
Cash flow from investing activities			
Repayments of loans by group companies		(94,003)	30,554
Investment in subsidiary	7	(4,730)	(5,629)
Dividend received from subsidiary		1,962	1,704
Cash flow from (used in) investing activities		(96,771)	26,629
Cash flow from financing activities			
Proceeds from issuance of shares (net of transaction costs)	12	17,326	17,808
Repayments of bank borrowings		27,991	(24,815)
Dividends paid		(60,508)	(48,211)
Interest paid		(6,404)	(4,108)
Cash flow used in from (used in) financing activities		(21,596)	(59,326)
Net change in cash and cash equivalents		26,732	(25,344)
Cash and cash equivalents at beginning of year		5,869	31,213
Cash and cash equivalents at end of year		32,601	5,869

Note 1. Accounting principles

ABL Group ASA ("the Company") is a limited liability company incorporated on 13 June 2014 and domiciled in Norway with its registered office at Haakon VIIs gate 6, 0161, Oslo, Norway. The Company is listed on Oslo Stock Exchange.

The Company is principally an investment holding company. Its other activities include provision of management services to related companies.

The principal activities of the subsidiaries are disclosed in Note 26 to the ABL Group's consolidated financial statements.

The financial statements have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles in Norway.

Foreign currency translation

Transactions in foreign currency are translated at the rate applicable on the transaction date. Monetary items in a foreign currency are translated into Norwegian Krone ("NOK") using the exchange rate applicable on the balance sheet date. Non-monetary items that are measured at their historical price expressed in a foreign currency are translated into NOK using the exchange rate applicable on the transaction date. Non-monetary items that are measured at their fair value expressed in a foreign currency are translated at the exchange rate applicable on the balance sheet date. Changes to exchange rates are recognized in the income statement as they occur during the accounting period.

Income tax

The tax expense consists of the tax payable and changes to deferred tax. Deferred tax/tax assets are calculated on all differences between the book value and tax value of assets and liabilities. Deferred tax is calculated at applicable rate of temporary differences and the tax effect of tax losses carried forward. Deferred tax assets are recorded in the balance sheet when it is more likely than not that the tax assets will be utilized. Taxes payable and deferred taxes are recognized directly in equity to the extent that they relate to equity transactions.

Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, considering contractually defined terms of payment and excluding taxes or duty.

Borrowings

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of arrangement fees) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method.

Contingent consideration

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability is subsequently remeasured to fair value, with changes in fair value recognized in income statement.

Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the asset.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the income statement in the period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate the assets' cost to their residual values over their estimated useful lives as follows:

- Office equipment: 5 years

The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

An item of property, plant and equipment is derecognized upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

Balance sheet classification

Current assets and short term liabilities consist of receivables and payables due within one year, and items related to the normal operating cycle. Other balance sheet items are classified as non-current.

Current assets are valued at the lower of cost and fair value. Short term liabilities are recognized at nominal value.

Investment in subsidiaries

Investment in subsidiaries is valued at cost of the shares in the subsidiary less any impairment losses. An impairment loss is recognized if the impairment is not considered temporary. Impairment losses are reversed if the reason for the impairment loss disappears in a later period.

Dividends, group contributions and other distributions from subsidiaries are recognized in the same year as they are recognized in the financial statement of the provider. If dividends / group contribution exceeds withheld profits after the acquisition date, the excess amount represents repayment of invested capital, and the distribution will be deducted from the carrying value of the investment.

Other receivables

Other current receivables are recorded in the balance sheet at nominal value less provisions for doubtful accounts. Provisions for doubtful accounts are based on an individual assessment of the receivables.

Cash flow statement

The cash flow statement is presented using the indirect method. Cash and cash equivalents include cash, bank deposits and other short term, highly liquid investments with maturities of three months or less. Deposits held by the bank against guarantees provided to the customers are classified and accounted for in other current assets.

Note 2. Revenues

Amounts in NOK thousands	2022	2021
Corporate group management fees	13,235	12,335
Total	13,235	12,335

Note 3. Staff costs

Amounts in NOK thousands	2022	2021
Salaries	11,285	8,842
Payroll and social security	2,769	2,192
Other personnel costs	987	88
Total	15,041	11,122

At 31 December 2022 the Company had 6 employees (2021: 5 employees). Salaries includes compensation to the board members. ABL Group ASA meets the Norwegian requirements for mandatory occupational pension ("obligatorisk tjenestepensjon"). Please refer to note 21 and 22 in ABL Group consolidated financial statements for further information regarding the remuneration to board members and executive management.

Note 4. Other operating expenses

Amounts in NOK thousands	2022	2021
Professional fees	3,885	4,486
Share of central costs	-	520
Office rental cost	1,202	603
Other costs	4,891	4,721
Total other operating expenses	9,978	10,331

Remuneration to the Auditors¹

Amounts in NOK thousands	2022	2021
Audit	2,512	1,117
Other assurance services	137	528
Other services	10	-
Total	2,659	1,645

All fees are exclusive of VAT.

Note 5. Financial items

Amounts in NOK thousands	2022	2021
Finance income		
Interest income on loans to related parties	32,575	32,107
Interest income from bank deposits	386	1
Dividend from subsidiaries	1,962	1,704
Reversal of write down on long-term financial assets	-	1,528
Total	34,923	35,340
Finance expenses		
Interest expenses	6,404	4,108
Other finance expenses	-	1
Total	6,404	4,109
Net foreign exchange gain (loss)		
Net foreign exchange gain (loss)	31,230	9,945
Total net foreign exchange gain (loss)	31,230	9,945

Net foreign exchange gain includes unrealised foreign currency effect related to bank accounts other than NOK and unrealised foreign currency gain on long term loans to subsidiaries in the Company.

Loans to subsidiaries have been assessed to be a part of the net investments in the subsidiaries as these are long term in nature and settlement is neither planned nor likely in the foreseeable future. These are eliminated upon consolidation and exchange differences arising from the translation are recognised in other comprehensive income. Refer to note 8 in ABL Group consolidated financial statements for further information.

Note 6. Taxes

Amounts in NOK thousands	31 December 2022	31 December 2021
Income tax expense recognised in profit or loss		
Tax payable	7,180	-
Deferred tax expense	2,884	6,371
Total income tax expense (income)	10,065	6,371
Tax base calculation		
Profit before income tax	47,958	32,052
Permanent differences	(2,209)	(4,580)
Changes in temporary differences	(12,411)	(16,849)
Intra-group contribution	(32,638)	-
Allocation of loss brought forward	(700)	(10,623)
Total tax base	-	-
Temporary differences		
Short term receivables	(11,762)	(3,566)
Long term receivables in foreign currency	69,400	35,189
Provisions	(13,601)	-
Property, plant and equipment	(1)	1
Total	44,036	31,624
Accumulated losses carried forward	-	(700)
Base for deferred tax liability	44,036	30,924
Deferred tax liabilities	9,688	6,803
Total deferred tax liabilities	9,688	6,803

Norway corporation tax rate for 2022 was 22% (2021: 22%). For 2022, there is no change in corporation tax rate. Deferred tax liability as of 31 December 2022 has been calculated based on this rate.

Reconciliation of the effective tax rate:

Amounts in NOK thousands	2022	2021
Profit (loss) before income tax	47,958	32,052
Income tax using the Company's domestic tax rate of 22% (2019 - 22%)	10,551	7,051
Effect of permanent difference	(486)	(1,008)
Effect of changes in tax rate	-	-
Income tax (income) expense recognised in profit or loss	10,065	6,044
Effective tax rate	21.0%	18.9%

Note 7. Investments in subsidiaries

The subsidiaries directly owned by the Company at 31 December 2022 are set out below. Unless otherwise indicated, all shareholdings owned by the Company represent 100% of the issued share capital of the subsidiary and the share capital is comprised of ordinary shares. Figures presented below in functional currency thousands.

Name of subsidiaries	Registered office	Functional currency	Share capital	Equity as of 31.12.2022	Net profit for the year	Net carrying value NOK '000
ABL Group Holding Ltd	UK	GBP	4,462	21	(1,726)	118,678
Offshore Wind Consultants Limited (OWC)	UK	GBP	0.1	1,036	414	8,668
ABL Technical Services Holdings Ltd	UK	GBP	-	9,510	(146)	60,720
Neptune Midco 1 Limited (LOC Group)	UK	GBP	42,641	31,182	5,555	23,475
East Point Geo Ltd (EPG)	UK	GBP	-	571	108	11,109
Add Energy Group AS	Norway	NOK	91,126	21,698	(2,112)	34,482
Total						257,132

On 11 July 2022, the Company acquired 100% of the shares in energy and engineering consultancy Add Energy. The acquisition broadens ABL Group's service offering adding 140 skilled consultants to the group's global team. It will allow ABL Group to expand its service offering in asset integrity management and OPEX services within both offshore renewables and oil and gas. The purchase is settled through a minor cash consideration to Add Energy's shareholders. ABL Group also entered into an agreement to acquire all interest-bearing debt in Add Energy through consideration of NOK 20 million in ABL Group ASA shares issued to Add Energy's main lender.

Note 8. Related party

For the purposes of the Company's financial statements, parties are considered to be related to the Company if the Company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

In addition to the related party information disclosed elsewhere in the group consolidated financial statements, the Company's balances with the related parties included in the balance sheet are as follows:

Amounts in NOK thousands	31 December 2022	31 December 2021
Loans to group companies		
Neptune Midco 1 Limited (LOC Group)	334,294	277,111
ABL Group Holding Limited	-	18,661
Aqualis Offshore UK Limited	12,854	10,779
ABL Technical Services Holdings Ltd	-	2,666
ABL USA Inc.	10,858	9,107
Aqualis Offshore Serviços Ltda	3,511	2,944
OWC Japan Ltd.	2,007	2,948
ABL Group Korea Ltd	1,617	1,355
ABL Norway AS	2,750	2,296
London Offshore Consultants (Mexico) SA de CV	1,188	994
OWC (Aqualis) GmbH	672	563
Offshore Wind Consultants Ireland Ltd	1,284	-
Add Energy Group AS	52,393	-
Total	423,427	329,424
Non-current portion	423,427	329,424
Current portion	-	-
Total	423,427	329,424

The loans to Group companies carry an annual interest rate of 10%. Loans to subsidiaries have a long term perspective and does not have a specific repayment date.

Amounts in NOK thousands	31 December 2022	31 December 2021
Due from related parties		
ABL Group Holding Limited	-	23,495
Total	-	23,495
Due to related parties		
ABL Technical Services Holdings Limited	4,307	-
ABL Group Holding Limited	18,702	-
Neptune Midco 1 Limited (LOC Group)	9,120	-
Add Energy Group AS	32,638	-
Total	64,768	-

Amount due from and due to group companies are unsecured, non-interest bearing and are repayable on demand and are included in trade and other receivables (note 9) and trade and other payables respectively (note 13).

Transactions with related parties are made at terms agreed between the parties. For the year ended 31 December 2022, transactions with related parties included in profit and loss are as follows:

Amounts in NOK thousands	2022	2021
Corporate group management services (note 2)	13,235	12,335
Interest income on loans (note 5)	32,575	32,107
Share of central costs (note 4)	-	520

Note 9. Trade and other receivables

Amounts in NOK thousands	31 December 2022	31 December 2021
Due from related parties (note 8)	-	23,495
Other receivables	33,718	3,449
Total	33,718	26,944

Other receivables are non-interest bearing and are generally on terms of 30 to 45 days.

Note 10. Cash and cash equivalents

Amounts in NOK thousands	31 December 2022	31 December 2021
Cash and bank balances	32,601	5,869
Total	32,601	5,869

Amounts in thousands	31 December 2021		31 December 2020	
	Currency	NOK	Currency	NOK
Distributed in following currencies:				
US Dollars	2,824	27,841	219	1,935
Norwegian Krone	3,903	3,903	3,001	3,001
Euro	82	857	93	933
Total		32,601		5,869

The Company has restricted cash at banks of NOK 566 thousand at 31 December 2022 (2021: NOK 487 thousand). These are subject to regulatory restrictions and are therefore not available for general use by the other entities within the group.

Note 11. Share capital

Amounts in NOK thousands	Number of shares	Share capital
At 1 January 2021	92,547,583	9,255
Cash-settled capital increase (net of transaction costs)	4,375,000	438
At 31 December 2021	96,922,583	9,692
At 1 January 2022	96,922,583	9,692
Cash-settled capital increase (net of transaction costs)	7,847,279	785
At 31 December 2022	104,769,862	10,477

Each share has a par value of NOK 0.10 per share.

Share-based payments

The company has established share option plan that entitle employees to purchase share in the company. Under these plan, holders of vested options are entitled to purchase shares at the market price of the shares at grant date. Each employee share option converts into one ordinary share of the Company on exercise. No amounts are paid or payable by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry. Refer note 16 in ABL Group consolidated financial statements for more information.

Refer to note 27 in ABL Group consolidated financial statements for further information regarding the company's largest shareholders.

Note 12. Equity

Amounts in NOK thousands	Share capital	Treasury shares	Consideration shares	Other paid-up capital	Total equity
At 1 January 2021	9,255	(372)	12,769	448,950	470,602
Cash-settled capital increase (net of transaction costs)	338	-	-	17,371	17,708
Shares issued as consideration for business combination	100	-	-	10,620	10,720
Shares to be issued as part of the consideration on a acquisition of subsidiary	-	-	3,626	-	3,626
Employee share program issue	-	372	-	396	768
Dividends	-	-	-	(48,211)	(48,211)
Profit after taxes	-	-	-	25,681	25,681
At 31 December 2021	9,692	-	16,396	454,807	480,894
At 1 January 2022	9,692	-	16,396	454,807	480,894
Cash settled capital increase (net of transaction costs)	100	-	(6,503)	6,503	100
Shares issued as consideration for business combination	158	-	-	19,842	20,000
Employee share program issue	527	-	-	45,991	46,518
Dividends	-	-	-	(60,508)	(60,508)
Profit after taxes	-	-	-	37,893	37,893
At 31 December 2022	10,477	-	9,892	504,528	524,897

Total dividend paid in 2022 was NOK 0.60 per share. For tax purposes, the distribution of dividend was considered repayment of paid in capital. ABL Group has implemented a semi-annual dividend schedule.

The Company incurred NOK 254 thousands (2021: NOK 2,879 thousands) in transaction costs that were directly attributable to the issuance of shares.

Refer to notes 7 and 16 in ABL Group consolidated financial statements for further information regarding the issuance of new shares on acquisition.

Note 13. Trade and other payables

Amounts in NOK thousands	31 December 2022	31 December 2021
Trade payables	258	2,014
Due to related parties (note 8)	64,768	-
Accruals and other payables	19,217	4,874
Total	84,243	6,888

Trade payables are non- interest bearing and are normally settled on 30 days term.

Note 14. Bank Borrowings

Amounts in NOK thousands	31 December 2022		31 December 2021	
	Current	Non-current	Current	Non-current
Bank loans	128,065	-	71,482	28,593
Total	128,065	-	71,482	28,593

To finance the acquisition of Add Energy (refer to note 7), in August 2022 and by amending the Original Facilities Agreement, the company obtained an additional term loan of USD 5 million which is repayable in December 2023.

The Original Facilities Agreement consisted of two parts, (i) a term loan of USD 10 million, and (ii) a revolving credit facility of USD 5 million to be renewed annually, both with a maturity of three years and with the following financial covenants:

- Minimum EBITDA of USD 7 million on a rolling 12-month basis; and
- NIBD (Net Interest Bearing Debt) < 0 at all times.

Financial covenants were measured first time with respect to the financial quarter ending 30 June 2021, and thereafter on the last day of each financial quarter.

The interest on above loans is the relevant LIBOR (1, 3 or 6 months at the borrower's discretion) plus a margin of 320 basis points. The term loan is to be repaid through 12 equal instalments on the last day of each financial quarter, the first time on 31 March 2021. For the majority of the borrowings, the fair values are not materially different from their carrying amounts, since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short-term nature. The company incurred total interest cost of NOK 6.4 million (2021: NOK 4.1 million) on above loans. These costs have been included in finance expenses in the income statement.

The Group's obligations under the Original Facilities Agreement are guaranteed by the Company and certain material group companies.

Note 15. Property, plant and equipments

Amounts in NOK thousands	Office equipment	Total
Cost		
As at 1 January 2022	32	32
Additions	-	-
As at 31 December 2022	32	32
Depreciation		
As at 1 January 2022	10	10
Depreciation charge for the year	6	6
As at 31 December 2022	17	17
Net book value at 31 December 2022	15	15
Useful life	5 years	
Depreciation method	Straight line	

Note 16. Events after the reporting period

Subsequent to balance sheet date, on 18 April 2023, the Company has completed the acquisition of 100 percent of the shares in multi-disciplinary engineering consultancy and software company AGR AS ("AGR"). The acquisition will bolster ABL Group's offering within well and reservoir consultancy, enhances the group's position supporting operators' digitalisation and decarbonisation plans, and expand its opex-driven offshore energy exposure. The company is headquartered in Oslo, Norway, with additional offices in Stavanger, Bergen and Tromsø in Norway; Perth, Western Australia; and Aberdeen, UK. AGR consists of 377 personnel, of which 196 are AGR employees, and 181 are associates/independent consultants. The transaction values AGR at NOK 262.5 million (equivalent to USD 25.1 million at current FX rates) on a cash and debt free basis. The equity purchase price of NOK 277.8 million (USD 26.5 million), which includes a NOK 15.3 million (USD 1.5 million) adjustment for net cash and normalised net working capital in AGR, is based on a "locked box" balance sheet as of 31 December 2022, and further adjusted for leakage inter alia from carve-out transactions and excess cash distribution.

- NOK 272.5 million settled through issuance of 18,166,667 ordinary ABL Group shares (the "Consideration Shares") at a subscription price of NOK 15 per ABL Group share, representing 14.8% of outstanding shares post-issue; and
- NOK 5.3 million (the "Cash Consideration"), settled in cash on completion

Refer to note 28 in ABL Group consolidated financial statements for further information.



To the General Meeting of ABL Group ASA

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of ABL Group ASA, which comprise:

- the financial statements of the parent company ABL Group ASA (the Company), which comprise the balance sheet as at 31 December 2022, the income statement and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- the consolidated financial statements of ABL Group ASA and its subsidiaries (the Group), which comprise the balance sheet as at 31 December 2022, the statement of income, statement of other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

Our opinion is consistent with our additional report to the Audit Committee.

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 and the Group as required by 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) (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.

To the best of our knowledge and belief, no prohibited non-audit services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided.

We have been the auditor of the Company for 6 years from the election by the general meeting of the shareholders on 15 May 2017 for the accounting year 2017.



Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The Group's business operations, which continue to evolve due to ongoing improvement projects, are largely the same as last year. *Impairment assessment of goodwill* carries the same characteristics and risks as in the prior year, and therefore continues to be an area of focus this year.

Key Audit Matters	How our audit addressed the Key Audit Matter
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<i>Impairment assessment of goodwill</i>	<p>We evaluated and challenged management's impairment model. We corroborated the elements in the model to the requirements in IFRS and found no material inconsistencies. We also tested the mathematical accuracy of the impairment model.</p> <p>We challenged management's use of assumptions in the future cash flow estimates. We found that future cash flow estimates were based on budgets approved by the Board of Directors. We tested management's budgeting accuracy by performing look-back analyses of budgeted growth rate and EBITDA margin against actuals. When we found deviations, we assessed management's explanations and corroborated with other evidence available to us.</p> <p>To challenge the assumptions in the impairment model, we also held discussions with management. In addition, we assessed the sensitivity of the assumptions and found that the future cash flow estimates were sensitive to the applied growth rate and EBITDA margin. Based on our testing and discussions with management, we found management's budgeting for the purpose of this impairment test, to be reliable. To evaluate the assumptions used to build the discount rate, we used external market data and observable data from comparable companies. We found the assumptions to be reasonable based on our knowledge and available evidence.</p> <p>Finally, we considered disclosures in note 13 to the consolidated financial statements and found them appropriate.</p>
--	--

The carrying value of goodwill amounted to USD 24,077 thousand on 31 December 2022, which is about 19% of total assets. Goodwill is tested for impairment annually, or when there are indicators of impairment. An impairment test of goodwill was performed at year end 2022. No impairment charge was recognised based on the impairment test.

We focused on impairment assessment of goodwill because it requires application of significant management judgement, specifically as it relates to estimating future cash flows and the discount rate. Furthermore, a potential impairment loss may have material impact on the carrying value of the Group's assets.

See note 13 (Intangible assets) to the consolidated financial statements where management explains the impairment model and key assumptions applied.



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 accompanying the financial statements. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report nor the other information accompanying the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report and the other information accompanying the financial statements. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the other information accompanying the financial statements and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report and the other information accompanying the financial statements otherwise appear to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report or the other information accompanying 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
- contains the information required by applicable statutory requirements.

Our opinion on the Board of Director's report applies correspondingly to the statements on Corporate Governance and Corporate Social Responsibility.

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 the preparation and true and fair view of the consolidated financial statements of the Group in accordance with International Financial Reporting Standards as adopted by the EU, 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 and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements of the Company use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations. The consolidated financial statements of the Group use the going concern basis of accounting unless management either intends to liquidate the Group 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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



- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We 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 and the Group'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 and the Group'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 and the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Report on Other Legal and Regulatory Requirements

Report on Compliance with Requirement on European Single Electronic Format (ESEF)

Opinion

As part of the audit of the financial statements of ABL Group ASA, we have performed an assurance engagement to obtain reasonable assurance about whether the financial statements included in the annual report, with the file name ABL-ESEF2022, have been prepared, in all material respects, in compliance with the requirements of the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) and regulation pursuant to Section 5-5 of the Norwegian Securities Trading Act, which includes requirements related to the preparation of the annual report in XHTML format, and iXBRL tagging of the consolidated financial statements.

In our opinion, the financial statements, included in the annual report, have been prepared, in all material respects, in compliance with the ESEF regulation.

Management's Responsibilities

Management is responsible for the preparation of the annual report in compliance with the ESEF regulation. This responsibility comprises an adequate process and such internal control as management determines is necessary.

Auditor's Responsibilities

For a description of the auditor's responsibilities when performing an assurance engagement of the ESEF reporting, see: <https://revisorforeningen.no/revisjonsberetninger>

Oslo, 26 April 2023

PricewaterhouseCoopers AS

A handwritten signature in blue ink that reads 'Anders Ellefsen'.

Anders Ellefsen
State Authorised Public Accountant (Norway)

ALTERNATIVE PERFORMANCE MEASURES (APM)

The European Securities and Markets Authority (ESMA) issued guidelines on Alternative Performance Measures (“APMs”) that came into force on 3 July 2016. Alternative performance measures are meant to provide an enhanced insight into the operations, financing and future prospects of the company. The Company has defined and explained the purpose of the following APMs:

Adjusted EBITDA

Adjusted EBITDA which excludes depreciation, amortisation and impairments, share of net profit (loss) from associates, transaction costs related to acquisitions, restructuring and integration costs is a useful measure because it provides useful information regarding the Company's ability to fund capital expenditures and provides a helpful measure for comparing its operating performance with that of other companies. EBITDA may not be comparable to other similarly titled measures from other companies. A reconciliation between reported operating profit/(loss) and EBITDA is shown below.

Amounts in USD thousands	2022	2021
Operating profit (loss) (EBIT)	12,514	7,375
Depreciation, amortisation and impairment	3,342	3,790
Restructuring and integration costs	189	362
Other special items (incl. share-based expenses)	1,773	1,475
Transaction costs related to M&A	357	76
Adjusted EBITDA	18,175	13,078

Adjusted EBIT

Adjusted EBIT which excludes amortisation and impairments, share of net profit (loss) from associates, transaction costs related to acquisitions, restructuring and integration costs is a useful measure because it provides an indication of the profitability of the Company's operating activities for the period without regard to significant events and/ or decisions in the period that are expected to occur less frequently.

A reconciliation between reported operating profit/(loss) and EBIT adjusted is shown below.

Amounts in USD thousands	2022	2021
Operating profit (loss) (EBIT)	12,514	7,375
Amortisation and impairment	430	356
Restructuring and integration costs	189	362
Other special items (incl. share-based expenses)	1,773	1,475
Transaction costs related to M&A	357	76
Adjusted EBIT	15,262	9,645

Adjusted profit (loss) after taxes

Adjusted profit (loss) after taxes which excludes amortisation and impairments, share of net profit (loss) from associates, transaction costs related to acquisitions, restructuring and integration costs and certain finance income is a useful measure because it provides an indication of the profitability of the Company's operating activities for the period without regard to significant events and/or decisions in the period that are expected to occur less frequently. A reconciliation between adjusted profit (loss) after taxes and profit (loss) after taxes is shown below.

Amounts in USD thousands	2022	2021
Profit (loss) after taxes	6,253	3,218
Amortisation and impairment	430	356
Restructuring and integration costs	189	362
Other special items (incl. share-based expenses)	1,773	1,475
Transaction costs related to M&A	357	76
Gain on bargain purchase / disposal of subsidiaries	(1,889)	(54)
Adjusted profit (loss) after taxes	7,113	5,435

Return on equity (ROE)

ROE is calculated as the adjusted profit (loss) for the period attributable to equity holders of the parent, divided by average total equity for the period. The adjusted profit (loss) is annualised for interim period reporting. This measure indicates the return generated by the management of the business based on the total equity. The calculation of ROE is shown below.

Amounts in USD thousands	2022	2021
Adjusted profit (loss) after taxes	7,113	5,435
Average total equity	67,646	66,092
ROE	10.5%	8.2%

Return on capital employed (ROCE)

ROCE is calculated as the adjusted EBIT for the period, divided by average capital employed for the period. Capital employed is defined as total assets less non-interest bearing current liabilities. The adjusted EBIT is annualised for interim period reporting. This measure indicates the return generated by the management of the business based on the capital employed. The calculation of ROCE is shown below.

Amounts in USD thousands	2022	2021
Adjusted EBIT	15,262	9,645
Total assets	126,928	115,090
Less: Non-interest bearing current liabilities	(27,863)	(25,814)
Capital employed	99,065	89,276
Average capital employed	94,170	90,200
ROCE	16.2%	10.7%

Order backlog

Order backlog is defined as the aggregate value of future work on signed customer contracts or letters of award. ABL's services are shifting towards "call-out contracts" which are driven by day-to-day operational requirements. An estimate for backlog on "call-out contracts" are only included in the order backlog when reliable estimates are available. Management believes that the order backlog is a useful measure in that it provides an indication of the amount of customer backlog and committed activity in the coming periods.

Working capital and working capital ratio

Working capital is a measure of the current capital tied up in operations. The amount of working capital will normally be dependent on the revenues earned over the past quarters. Working capital includes trade receivables, contract assets and other current assets, trade payables, current tax payable, contract liabilities and other current liabilities. Working capital may not be comparable to other similarly titled measures from other companies. Working capital ratio provides an indication of the working capital tied up relative to the average quarterly revenue over the past two quarters.

Amounts in USD thousands	31 December 2022	31 December 2021
Working capital		
Trade and other receivables	41,400	43,235
Contract assets	13,394	18,101
Trade and other payables	(25,890)	(24,467)
Contract liabilities	(1,535)	(949)
Income tax payable	(439)	(398)
Net working capital	26,931	35,523
Average revenue for last 2 quarters	43,444	37,892
Working capital ratio	62%	94%



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**APPENDIX D: UNAUDITED COMBINED LOCKED BOX ACCOUNTS
FOR AGR GROUP FOR 2022, EXCLUDING CARVE-OUT ENTITIES**

Input AGR

NOK / USD 9,605

USD

Combined income statement	FY22 mgmt accounts	Carve out DBO/(Moha)	Carve out 3R Petr	Carve out Føn Energy Services	Carve out SpotOn Holding	FY22 Locked Box Accounts	Commentary carve-out adj.	FY22 Locked Box Accounts
Amounts in NOK thousand								
Operating revenue	768 426					768 426		80 004
Total other income (loss)	20 920			(20 920)		(0)	Gain Føn Energy Services	(0)
Total operating revenue and other income	789 346			(20 920)		768 426		80 004
Operating expenses	(708 676)					(708 676)		(73 783)
EBITDA	80 670			(20 920)		59 750		6 221
Depreciation and amortization	(14 292)					(14 292)		(1 488)
EBIT	66 378			(20 920)		45 458		4 733
Net interest exp. on financial liabilities measured at amortized cost	(16 314)					(16 314)		(1 698)
Net foreign exchange gain (loss)	(1 897)					(1 897)		(198)
Other financial income (expenses)	10 736	(11 460)	(874)	1 952	50	403	Financial income Moha/3R Petr, AGR's sh	42
Net financial items	(7 476)	(11 460)	(874)	1 952	50	(17 809)		(1 854)
Transfer account (internal transfer of profit)	(2 000)					(2 000)		(208)
Profit (loss) before tax	56 903	(11 460)	(874)	(18 968)	50	25 650		2 670
Tax expense	(2 519)					(2 519)		(262)
Profit (loss) for the period	54 383	(11 460)	(874)	(18 968)	50	23 130		2 408

Check

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NOK / USD 9,752

USD

Combined statement of financial position	FY22 mgmt accounts	Carve out	FY22 Locked Box Accounts	Commentary carve-out adj.	FY22 Locked Box Accounts
Amounts in NOK thousand					
Goodwill	109 200		109 200		11 197
Deferred tax asset	37 011		37 011		3 795
Intangible assets	36 616		36 616		3 755
Fixed Assets	2 785		2 785		286
Right of use lease asset	12 945		12 945		1 327
Pension funds	(174)		(174)		(18)
Other assets	30 554	(30 554)	-	DBO(Maha)/3R Petr/SpotOn Holding	-
Long term receivable equity accounted investees	1 520	(1 520)	-	Loan to Føn Energy Services	-
Equity accounted investees	23 583	(23 583)	-	Føn Energy Services	-
Long Term Assets	254 040	(55 657)	198 383		20 342
Inventories	-		-		-
Accounts receivable	104 786		104 786		10 745
Contract assets (IFRS 15)	54 452		54 452		5 583
Other short term receivables	2 546		2 546		261
Prepaid expenses and incurred income	4 720		4 720		484
Cash And Cash Equivalents	61 793		61 793		6 336
Current Assets	228 297		228 297		23 409
Total Assets	482 337	(55 657)	426 680		43 751
Equity	6 506	(55 657)	(49 151)		(5 039.9)
Pension liabilities	7 499		7 499		769
Non-current bank debt	197 711		197 711		20 273
Non-current borrowings from Akastor	104 706		104 706		10 736
Other long term liabilities	1 213		1 213		124
Provisions long term	-		-		-
Deferred tax liabilities	3 890		3 890		399
Total Long term lease liabilities	7 463		7 463		765
Total non-current liabilities	322 482		322 482		33 067
Current borrowings from Akastor	-		-		-
Short term lease liabilities	5 642		5 642		579
Accounts Payable	46 592		46 592		4 778
Taxes payable	1 143		1 143		117
Contract liabilities (IFRS 15)	8 932		8 932		916
Accrued expenses	42 598		42 598		4 368
Other current liabilities	48 442		48 442		4 967
Total Current Liabilities	153 349		153 349		15 724
Total Liabilities and reserves	482 337	(55 657)	426 680		43 751
<i>check</i>	-	-	-		-
Net assets					(5 040)
Net asset excl. bank debt and borrowings					25 970

**APPENDIX E: UNAUDITED CONSOLIDATED MANAGEMENT
ACCOUNTS FOR ADD ENERGY AS FOR THE HALF YEAR ENDING 30
JUNE 2022**

Input Add Energy

Avg. FX rate
9,605

	FY 2022	FY 2022 in USD	AEG part of ABL YE figures	Sirius payment/ write off	Proforma AEG 1HY22	To prospectus
Revenue	210 891	21 957	10 653		11 303	11 303
Cost of Goods Sold	-69 666	-7 253	-3 375		-3 878	
Salaries	-99 530	-10 362	-5 107		-5 255	
Gross Earnings	41 695	4 341	2 171		2 170	
Gross Margin	19,8 %	19,8 %	20,4 %		19,2 %	
- Admin salaries	-24 350	-2 535	-1 164		-1 371	
- Office lease	-6 654	-693	-395		-297	
- Legal-, financial- and other supporting services	-5 780	-602	-246		-356	
- Sales-, marketing- and BD expenses	-2 822	-294	-105		-189	
- Travel expenses (non-project related/non-billable)	-1 265	-132	-97		-35	
- IT-related expenses	-4 557	-474	-215		-259	
- Insurance	-2 525	-263	-95		-168	
- Audit fees	-2 650	-276	-94		-182	
- Other costs	4 543	473	-281	1 298	-544	
IC - MANAGEMENT FEE	901	94	0		94	-12 441
EBITDA	-3 464	-361	-521	1 298	-1 138	-1 138
EBITDA Margin	-1,6 %	-1,6 %	-4,9 %		-10,1 %	-10,1 %
Depreciation	-10 869	-1 132	-325		-807	-807
Amortization GW/Int.assets	0	0	0		0	
Finance	-24 333	-2 533	-695		-1 838	-1 838
EBT	-38 665	-4 026	-1 540	1 298	-3 783	-3 783
Badwill			1 889	-1 298	-590	
Adjusted EBT			348	0	-4 374	

Includes 2,5 conversion of NOK 11,621k Convertible loan (charged cost = NOK 17,432k/USD 1,812)

Amounts in USD thousands Add Energy H1'22

Revenue	11 303
Total revenue	11 303
Operating expenses	(12 441)
D&A and impairment	(807)
Operating profit (loss)	(1 945)
Net financial items	(1 838)
Profit (loss) before income tax	(3 783)
Income tax expenses	-
Profit (loss) after tax	(3 783)

0

**APPENDIX F: UNAUDITED PRO FORMA CONDENSED FINANCIAL
INFORMATION**

APPENDIX F – Unaudited pro forma condensed financial information

1. INTRODUCTION

ABL Group ASA (the “Company” or “ABL” and together with its subsidiaries, the “Group”) acquired certain entities during 2022 and 2023, as follows:

- Acquisition of all the shares in Add Energy AS in July 2022 (the “**Add Transaction**”). Add Energy AS (or “Add Energy”) became a wholly owned subsidiary of the Company and the Company started to consolidate this entity into the Group from the acquisition date. For further information on the purchase price consideration and preliminary purchase price allocation, please refer to note 7 of the ABL 2022 annual report.
- Further on 18 April 2023, the Company completed the acquisition of all of the shares in AGR AS (the “**AGR Transaction**”) from RGA Energy Holdings AS (the “Seller”), a subsidiary of Akastor ASA. AGR AS (or “AGR”) became a wholly owned subsidiary of the Company and the Company started to consolidate this entity into the Group from the acquisition date. For further information on the purchase price consideration and preliminary purchase price allocation, please refer to Section 7.1.8 “Purchase Price Allocation (“PPA”) – AGR Transaction” herein.

The AGR Transaction represented a “significant gross change” and triggered the preparation of pro forma financial information in accordance with Annex 20 to Commission Delegated Regulation (EU) 2019/980. Further and by way of aggregation, the pro forma financial information will also reflect the Add Transaction.

No pro forma statement of financial position has been prepared for the Add Transaction as it was completed before the year ended 2022 and is fully reflected in the consolidated statement of financial position of the Company as of 31 December 2022.

The Add Transaction and the AGR Transaction are together referred to as the **Transactions**.

2. CAUTIONARY NOTE REGARDING THE UNAUDITED PRO FORMA CONDENSED FINANCIAL INFORMATION

The unaudited pro forma condensed financial information has been prepared for illustrative purposes only to show how the Transactions might have affected the Company’s consolidated statement of income for the year ended 31 December 2022 as if the Transactions had occurred on 1 January 2022 and the consolidated statement of financial position as of 31 December 2022, as if the AGR Transaction occurred on that date.

The unaudited pro forma condensed financial information is based on certain management assumptions and adjustments made to illustrate what the financial results of the Group might have been, had the Company completed the Transactions at an earlier point in time.

Because of its nature, the unaudited pro forma condensed financial information addresses a hypothetical situation, and therefore, does not represent the Group’s actual financial position or results if the Transactions had in fact occurred on those dates, and is not representative of the results of operations for any future periods. It should be noted that greater uncertainty is associated with unaudited pro forma condensed financial information than actual historical financial information. Investors are cautioned against placing undue reliance on this unaudited pro forma condensed financial information.

ABL Group ASA - Unaudited pro forma financial information

The unaudited pro forma adjustments are based on information currently available. The assumptions underlying the pro forma adjustments applied to the historical financial information are described in the notes to the unaudited pro forma condensed financial information. Neither these adjustments nor the resulting unaudited pro forma condensed financial information have been audited in accordance with Norwegian or United States generally accepted auditing standards. In evaluating the pro forma financial information, each reader should carefully consider the historical financial statements of the Group and the notes thereto and the notes to the unaudited pro forma condensed financial information.

It should be noted that the unaudited pro forma condensed financial information was not prepared in connection with an offering registered with the U.S. Securities and Exchange Commission ("**SEC**") under the U.S. Securities Act and consequently is not compliant with the SEC's rules on presentation of pro forma financial information (SEC Regulation S-X) and had the securities been registered under the U.S. Securities Act of 1933, this unaudited pro forma financial information, including the report by the auditor, would have been amended and / or removed from the Prospectus. As such, an U.S. investor should not place reliance on the Unaudited Pro Forma Condensed Financial Information included in this Prospectus.

3. BASIS FOR PREPARATION AND ACCOUNTING POLICIES

The accounting policies (IFRS as adopted by EU, "IFRS") adopted in the preparation of the unaudited pro forma condensed financial information are consistent with those followed in the preparation of the Company's consolidated financial statements for the year ended 31 December 2022.

The Transactions are accounted for as acquisitions under IFRS 3 Business Combinations. The principles of valuation and allocation as described in IFRS 3 are applied.

The unaudited pro forma condensed financial information has been compiled based on the Company's audited consolidated financial statements for the year ended 31 December 2022 which were prepared in accordance with IFRS, the management accounts for Add Energy for the period from 1 January 2022 to 11 July 2022 (the date of acquisition and consolidation of Add Energy) which were prepared in accordance with IFRS, and the management accounts for AGR for the year ended 31 December 2022, prepared in accordance with IFRS.

The management accounts for both AGR and Add Energy are originally reported in NOK (Norwegian currency). These have been converted to USD with the foreign exchange rates as described in Section 7.1.7 "Foreign exchange rates". The foreign exchange rates are sourced from Xignite – <https://www.xignite.com> – which are the same exchange rates used by ABL Group ASA in the preparation of its financial statements.

For the purpose of the preparation of the pro forma condensed financial information, the management of ABL has assessed whether the presentation of the financial information of Add Energy and AGR are consistent with the consolidated financial statements of the Company. Based on the analysis performed, certain reclassifications have been performed for the AGR financial information to comply with the presentation of ABL consolidated financial statements. There were no other differences identified for the purpose of the preparation of the pro forma condensed financial information. Those reclassifications are further explained in Section 7.1.5 "Unaudited pro forma condensed statement of income for the year ended 31 December 2022".

The unaudited pro forma condensed financial information does not include all the information required for financial statements under IFRS and should be read in conjunction with the historical information of the Company.

ABL Group ASA - Unaudited pro forma financial information

The unaudited pro forma condensed financial information has been prepared under the assumption of going concern.

The pro forma adjustments in respect of the pro forma condensed statement of income have all continuing impact, unless otherwise stated.

The unaudited pro forma condensed financial information has been compiled to comply with the requirements of the Norwegian Securities Trading Act by reference to the EU Prospectus Regulation regarding information contained in prospectuses as well as the format, incorporation by reference and publication of such prospectuses and dissemination of advertisements.

4. INDEPENDENT PRACTITIONER'S ASSURANCE REPORT ON THE COMPILATION OF PRO FORMA FINANCIAL INFORMATION INCLUDED IN A PROSPECTUS

With respect to the unaudited pro forma condensed financial information included in this Prospectus, PricewaterhouseCoopers AS ("PwC") applied assurance procedures in accordance with ISAE 3420 "Assurance Engagement to Report Compilation of Pro Forma Financial Information Included in a Prospectus" in order to express an opinion as to whether the unaudited pro forma condensed financial information has been properly compiled on the basis stated, and that such basis is consistent with the accounting policies of the Company. PwC has issued an independent assurance report of the unaudited pro forma condensed financial information. There are no qualifications to this assurance report.

Unaudited pro forma condensed financial information

5. UNAUDITED PRO FORMA CONDENSED STATEMENT OF INCOME FOR THE YEAR ENDED 31 DECEMBER 2022

The table below sets out the unaudited pro forma condensed statement of income for the year ended 31 December 2022, as if the Transactions had occurred on 1 January 2022.

	Unadjusted financial information			IFRS reclassifications	Pro forma adjustments		Pro forma Group
	ABL Group ASA	AGR AS	Add Energy AS		(unaudited)	Note	
<i>Amounts in USD thousand</i>	<i>(audited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>		<i>(unaudited)</i>
Revenue	167 897	80 004	11 303	-	-		259 204
Total revenue	167 897	80 004	11 303	-	-		259 204
Operating expenses	152 041	73 783	12 441	250	631	1, 6	239 146
D&A and impairment	3 342	1 488	807	-	708	4, 5, 7	6 345
Operating profit (loss)	12 514	4 733	(1 945)	(250)	(1 339)		13 714
Net financial expenses	1 860	2 062	1 838	(250)	(1 837)	2, 3	3 675
Profit (loss) before income tax	10 654	2 670	(3 783)	-	498		10 039
Income tax expenses	4 401	262	-	-	198	2, 4, 5, 7	4 861
Profit (loss) after tax	6 253	2 408	(3 783)	-	300		5 178

In connection with the preparation of the pro forma condensed statement of income, the following IFRS reclassifications have been performed:

IFRS Reclassifications

AGR AS has historically recorded management fee of NOK 2 million (USD 208 thousand) and guarantee costs of NOK 0.4 million (USD 42 thousand) as part of net financial expenses. To ensure consistency with the Company's accounting treatment of such items, these have been reclassified from net financial expenses to operating expenses.

In connection with the preparation of the pro forma condensed statement of income, the following pro forma adjustments have been made:

Pro forma adjustment 1: Transaction costs

Pro forma adjustment 1 reflects the estimated transaction costs in connection with the AGR acquisition which were not accrued for as of 31 December 2022, amounting to NOK 6.4 million (USD 670 thousand). These transaction costs are assumed to be non-tax deductible and no tax adjustments have been performed. This pro forma adjustment 1 has no continuing impact.

Pro forma adjustment 2: Interest expenses AGR loan

As part of the AGR Transaction, a shareholder loan from Akastor ASA and financial loans from the banks DNB and Nordea were converted to equity and settled prior to closing. In 2022, the historical interest expenses incurred by AGR on these loans amounted to NOK 4.1 million (USD 430 thousand) and NOK 12.5 million (USD 1.3 million), respectively and totalling NOK 16.6 million (USD 1 733 thousand).

The pro forma adjustment 2 removes the total historical interest expense of USD 1 733 thousand. This results in an increase in income tax expenses estimated to be USD 381 thousand, calculated as 22% (Norwegian corporate tax rate) of the adjustment for interest expense.

This pro forma adjustment 2 does not have continuing impact.

Pro forma adjustment 3: Interest expenses Add Energy loan

In July 2022 and in connection with the acquisition of Add Energy AS, the overdraft facility used by Add Energy in DNB was settled. Prior to the acquisition, the interest expenses related to this overdraft facility amounted to NOK 946 thousand (USD 104 thousand).

Pro forma adjustment 3 removes those historical interest expenses of USD 104 thousand. Add Energy was not in a tax position in 2022 and no adjustments to income tax expenses have been performed for pro forma purposes.

This pro forma adjustment 3 does not have continuing impact.

Pro forma adjustment 4: Amortisation of intangible assets, AGR Transaction

Pro forma adjustment 4 reflects the effects of amortisation related to identified excess value of customer relations in connection with the purchase price allocation (the "PPA") of AGR AS. The pro forma adjustment for amortisation of customer relations is based on an amortisation profile of 3-10 years and amounts to NOK 9 456 thousand (USD 984 thousand). This results in a decrease in income tax expenses estimated to be USD 248 thousand, corresponding to 25% (representing blended tax rate of the corporate tax rate in the relevant jurisdictions customer relations are allocated to) of the pro forma adjustment for amortisation. For further details, see also Section 7.1.8 "Purchase Price Allocation ("PPA") - AGR Transaction".

Pro forma adjustment 5: Amortisation of intangible assets, Add Transaction

Pro forma adjustment 5 reflects the effects of the PPA on Add Energy AS, where it was identified excess value of NOK 15 778 thousand related to the fair value of intangible assets. The excess value relates to customer relations and intellectual property (see note 7 of the ABL annual report). With an amortisation profile of 5-15 years on customer relations (depending on business unit) and 15 years on the RWIS IP, the pro forma amortisation of these intangible assets is estimated to be NOK 729 thousand (USD 80 thousand). This results in a decrease in income tax expenses estimated to be USD 19 thousand, corresponding to 24% (representing blended tax rate of the corporate tax rate in the relevant jurisdictions) of the pro forma adjustment for amortisation.

Pro forma adjustment 6: AGR transaction costs covered by the Seller

Pro forma adjustment 6 reflects the reversal of transaction costs in AGR that were not accrued for as 31 December 2022 (reference to Pro forma adjustment 1). This amounts to NOK 379 thousand (USD 39 thousand) and is reversed due to being covered by the Seller in connection with the closing of the AGR Transaction. There is no tax effect related to this adjustment as it is related to non-tax-deductible item.

This pro forma adjustment 6 has no continuing impact.

Pro forma adjustment 7: Reversal of historical amortisation in intangible assets related to AGR

Pro forma adjustment 7 reflects the removal of historical amortisation in intangible assets in AGR, amounting to NOK 3 425 thousand (USD 357 thousand) in 2022. These have been replaced by corresponding amortisation in connection with the PPA (see Pro forma adjustment 4). This results in an increase in income tax expenses of NOK 800 thousand (USD 83 thousand), corresponding to 23% (representing blended tax rate of the corporate tax rate in the relevant jurisdictions) of the pro forma adjustment for amortisation.

This pro forma adjustment 7 has no continuing impact.

ABL Group ASA - Unaudited pro forma financial information

6. UNAUDITED PRO FORMA CONDENSED STATEMENT OF FINANCIAL POSITION AS OF 31 DECEMBER 2022

The table below sets out the unaudited pro forma condensed statement of financial position as of 31 December 2022, as if the AGR Transaction had occurred on that date.

	Unadjusted financial information		Pro forma adjustments		Pro forma Group (unaudited)
	ABL Group ASA (audited)	AGR AS (unaudited)	(unaudited)	Note	
Amounts in USD thousands					
ASSETS					
Non-current assets					
Property, plant and equipment	2 101	286	-		2 387
Right-of-use assets	7 904	1 327	-		9 231
Investment in associates	29	-	-		29
Goodwill and intangible assets	29 382	14 952	15 055	6, 7, 8	59 389
Deferred tax assets	1 744	3 795	-		5 539
Pension fund	-	(18)	-		(18)
Total non-current assets	41 160	20 342	15 055		76 557
Current assets					
Trade and other receivables	41 400	11 490	-		52 890
Contract assets	13 394	5 583	-		18 978
Cash and cash equivalents	30 974	6 336	(7 963)	2, 5	29 347
Total current assets	85 769	23 409	(7 963)		101 215
Total assets	126 928	43 751	7 092		177 722
EQUITY AND LIABILITIES					
Total Equity	68 427	(5 040)	35 214	1, 2, 3, 4, 5, 9	98 602
Non-current liabilities					
Deferred tax liabilities	2 516	399	2 227	6, 7	5 143
Long term borrowings	-	31 010	(31 010)	1	-
Lease liabilities	6 922	765	-		7 687
Provisions and other payables	5 993	893	-		6 886
Total non-current liabilities	15 432	33 067	(28 782)		19 716
Current liabilities					
Trade and other payables	25 890	14 113	660	9	40 662
Contract liabilities	1 535	916	-		2 451
Short term borrowings	13 337	-	-		13 337
Lease liabilities	1 869	579	-		2 448
Income tax payable	439	117	-		556
Total current liabilities	43 069	15 724	660		59 454
Total liabilities	58 501	48 791	(28 122)		79 170
Total equity and liabilities	126 928	43 751	7 092		177 722

In connection with the preparation of the pro forma financial position, the following pro forma adjustments have been made:

Pro forma adjustment 1 – Debt conversion

Pro forma adjustment 1 reflects the conversion of shareholder loan from Akastor and financial loans from the banks DNB and Nordea. These loans, totaling NOK 302 417 thousand (USD 31 010 thousand), were converted to equity in AGR prior to the closing of the AGR Transaction.

This pro forma adjustment 1 shows a reduction in long term borrowings with a corresponding increase in equity.

Pro forma adjustment 2 – Consideration for shares in AGR

Pro forma adjustment 2 represents the consideration for acquiring 100% of the shares in AGR AS, amounting to USD 31 096 thousand at the closing of the transaction.

The consideration for the shares in AGR AS is settled through i) issuance of 18,166,667 new ABL Group shares with a market value of USD 30 550 thousand which corresponds to the share price at closing (18 April 2023) and ii) a cash payment of NOK 5 325 thousand (USD 546 thousand).

As such, pro forma adjustment 2 shows an increase in equity of USD 30 550 thousand and a decrease in cash and cash equivalents of USD 546 thousand.

The cash payment reflects locked-box leakage of USD 7 702 thousand, whereas the cash payment agreed in the sales purchase agreement (“SPA”) was NOK 80 435 thousand (USD 8 248 thousand). Payments from AGR to Akastor, the Guarantor, DNB, Nordea or any of its Affiliates were defined as Leakage in the sales purchase agreement (“SPA”). The SPA also defined a price discount for the minority interest in AGR Software AS, which will remain held by third party shareholders after the AGR Transaction (USD 285 thousand), as Leakage. Other Leakage as identified per closing of the AGR Transaction include repayment of debt (USD 6 152 thousand) to Akastor, DNB and Nordea, interest payments on the repaid debt (USD 700 thousand) and loans to carved out entities (USD 359 thousand). These are all items that relate to debt / loans outside of the transaction perimeter, hence defined as Leakage. There were also minor Leakage items related to various transaction costs and bank / guarantee fees to Nordea.

For further details, see Section 7.1.8 “Purchase Price Allocation (“PPA”) - AGR Transaction”.

Pro forma adjustment 3 – Elimination of equity in AGR

The Company will account for the AGR Transaction as an acquisition in accordance with IFRS 3. The equity and reserves of AGR AS (USD 5 040 thousand) will therefore no longer appear in the results of the Company following the acquisition and are reversed out as illustrated in Pro forma adjustment 3.

For further details, see Section 7.1.8 “Purchase Price Allocation (“PPA”) - AGR Transaction”.

Pro forma adjustment 4 – Add-back of minority interest in AGR Software

Pro forma adjustment 4 reflects the non-controlling minority in AGR Software AS (subsidiary of AGR) that will remain held by third party shareholders after the AGR Transaction, and which has been assessed at fair value of USD 285 thousand.

For further details, see Section 7.1.8 “Purchase Price Allocation (“PPA”) - AGR Transaction”.

Pro forma adjustment 5 – Movements in AGR after 31 December 2022

ABL Group ASA - Unaudited pro forma financial information

Pro forma adjustment 5 relates to Transaction-related movements in AGR's cash and equity between the management accounts per locked box date (31 December 2022) and closing of the Transaction (18 April 2023):

Adjustment 5a) reflects Leakage (cash outflows) identified at closing (18 April 2023). These movements amount to USD 7 417 thousand, and mainly comprise repayment of debt to third Akastor, DNB and Nordea, interest payments on the repaid debt and loans to carved out entities. The adjustment reduces cash and cash equivalents. For further details, see pro forma adjustment 2.

Adjustment 5b) reflects elimination of USD 31 010 thousand related to the debt-to-equity conversion as further described in pro forma adjustment 1 and which relates to AGR. The adjustment corresponds with the reversal of equity as described in pro forma adjustment 3 ("Elimination of equity in AGR").

<i>Amounts in USD thousand</i>	Total pro forma adjustment
Leakage (see adjustment 5a above)	(7 417)
Elimination debt to equity AGR (see adjustment 5b above)	(31 010)

For further details, see Section 7.1.8 "Purchase Price Allocation ("PPA") - AGR Transaction".

Pro forma adjustment 6 – Reset of existing goodwill and intangible assets in AGR

Pro forma adjustment 6 reflects the reversal of historical goodwill (USD 11 197 thousand) and customer relations and brand name (USD 1 159 thousand) in AGR totaling USD 12 356 thousand, which have been valued separately in connection with the purchase price allocation as further described in Section 7.1.8 "Purchase Price Allocation ("PPA") - AGR Transaction, and with a corresponding proforma reversal of deferred tax liabilities of USD 265 thousand.

Pro forma adjustment 7 – Allocation of excess value related to intangible assets

Pro forma adjustment 7 reflects the effects of the PPA in connection with the AGR Transaction, where it was identified excess value allocated to intangible assets of USD 10 806 thousand (where USD 7 281 thousand relates to customer relations and USD 3 526 thousand relates to brand name). This resulted in an increase in deferred tax liability of USD 2 492 thousand (representing a blended tax rate of the corporate tax rate in the relevant jurisdictions the excess values were allocated to).

For further details, including fair value assessment of intangible assets from the purchase price allocation, see Section 7.1.8 "Purchase Price Allocation ("PPA") – AGR Transaction.

Pro forma adjustment 8 – Allocation of goodwill

Pro forma adjustment 8 reflects the effects of the PPA in connection with the AGR Transaction where USD 16 605 thousand is allocated to Goodwill. For further details, see Section 7.1.8 "Purchase Price Allocation ("PPA") - AGR Transaction".

Pro forma adjustment 9 – Transaction costs

Pro forma adjustment 9 reflects the estimated transaction costs which were not accrued for per 31 December 2022, amounting to NOK 6 438 thousand (USD 660 thousand), which is increasing trade and other payables with a corresponding adjustment within equity (reduction of retained earnings). Those transaction costs are deemed non-tax deductible and no tax adjustments have been performed.

Additional notes to the unaudited pro forma condensed financial information

7. FOREIGN EXCHANGE RATES

For converting the NOK information relating to AGR AS and Add Energy AS to the Company's reporting currency of USD, the Company has used the following exchange rates. The foreign exchange rates are sourced from Xignite – <https://www.xignite.com> – which are the same exchange rates used by ABL Group ASA in the reporting of financial statements.

Exchange rates	NOK / USD
Average for the year ended 31 December 2022 (applied for profit and loss information of AGR)	9.605
Average for the half year ended 30 June 2022 (applied for profit and loss information of Add Energy)	9.123
As of 31 December 2022 (applied for balance sheet financial information)	9.752

8. PURCHASE PRICE ALLOCATION ("PPA") – AGR TRANSACTION

The Company has performed a preliminary purchase price allocation (the "preliminary PPA") based on the management accounts for AGR for the year ended 31 December 2022 incorporating all relevant information currently available. The table below is the calculation of purchase price and excess value to be allocated:

Preliminary purchase Price Allocation ("PPA")

<i>Amounts in USD thousand</i>	Fair value
Cash Consideration	8 248
Convertible seller note / share consideration (valued at 18 April 2023) ¹⁾	30 550
Purchase price deduction ²⁾	(7 702)
Total consideration transferred	31 096
Fair value of non-controlling interests ³⁾	285
Net Assets in acquisition balance sheet as of 31 December 2022	(6 461)
Net excess value to be allocation	24 919

1) Issuance of 18,166,667 new ABL Group shares. According to IFRS, the value of the consideration shares shall be measured at market value at the time of the transfer (NOK 16.4 at 18 April 2023), hence deviating from what was agreed in the SPA (NOK 15). Each share has a nominal value of NOK 0.10 (USD 0.01).

2) Mainly comprise Deduction for minority interest in AGR Software AS (USD 285 thousand), repayment of debt (USD 6 152 thousand) to Akastor, DNB and Nordea, interest payments on the repaid debt (USD 700 thousand) and loans to carved out entities (USD 359 thousand). There were also minor Leakage items related to various transaction costs and bank / guarantee fees to Nordea.

3) Non-controlling interests have been assessed at fair value in accordance with IFRS 3.17 in the pro forma figures. The non-controlling interest relates to 9% of AGR Software AS, which remains held by third party shareholders after the AGR Transaction.

ABL Group ASA - Unaudited pro forma financial information

Break down of net assets in acquisition balance sheet

<i>Amounts in USD thousand</i>	
Net assets in balance sheet as at 31 December 2022	(5 040)
Other Leakage as defined in the SPA ¹⁾	(7 417)
Debt converted to shares in AGR	31 010
Goodwill and customer relations as at 31 December 2022	(12 091)
Revised net assets as at 31 December 2022²⁾	6 461

1) Payments from AGR to Akastor, the Guarantor, DNB, Nordea or any of its Affiliates and transaction costs were defined as Leakage in the SPA. For further details, see pro forma adjustment 2 to the pro forma statement of financial position.

2) Revised net assets as at 31 December 2022 include the book value of non-controlling interest of NOK 2.5m (USD 250 thousand), relating to AGR Software AS. The fair value of the non-controlling interest is estimated to USD 285 thousand and is extracted from the excess value to allocate as part of the purchase price allocation table. The fair value is based on an independent valuation performed by AGR prior to the AGR Transaction.

Allocation of excess value as per preliminary PPA

<i>Amounts in USD thousand</i>	Fair value
Customer relations	7 281
Brand name	3 526
Deferred tax	(2 492)
Goodwill	16 605
Total	24 919

**APPENDIX G: INDEPENDENT ASSURANCE REPORT ON PRO
FORMA FINANCIAL INFORMATION**



To the Board of Directors of ABL Group ASA

Report on the compilation of pro forma financial information included in a prospectus

We have completed our assurance engagement to report on the compilation of the accompanying pro forma financial information of ABL Group ASA (the 'Company') by the Board of Directors of ABL Group ASA (the Directors). The pro forma financial information consists of the pro forma condensed statement of financial position as at 31 December 2022, the pro forma condensed statement of income for the year ended 31 December 2022, and related notes integral to the pro forma financial information. The applicable criteria on the basis of which the Directors have compiled the pro forma financial information are specified in Annex 20 to Commission Delegated Regulation (EU) 2019/980 supplementing the EU Prospectus Regulation as incorporated in the Norwegian Securities Trading Act and the Securities Regulations § 7-1 and described in the before mentioned pro forma financial information (the 'applicable criteria').

The pro forma financial information has been compiled by the Directors to illustrate the impact of the Add Energy and the AGR transaction (the "Transactions") on the Company's financial position as at 31 December 2022 as if the AGR transaction had taken place at 31 December 2022, and its financial performance for the year ended 31 December 2022 as if the Transactions had taken place at 1 January 2022. As part of this process, financial information has been compiled based on the Company's audited consolidated financial statements for the year ended 31 December 2022, the management accounts for Add Energy for the period from 1 January 2022 to 11 July 2022, and the management accounts for AGR for the year ended 31 December 2022.

Our Independence and Quality Management

We are independent of the Company as required by laws and regulations and the International Ethics Standards Board for Accountants' Code of International Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We apply the International Standard on Quality Management (ISQM) 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, and accordingly, maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Managements' responsibility for the pro forma financial information

Management are responsible for compiling the pro forma financial information on the basis of the applicable criteria.



Practitioner's responsibilities

Our responsibility is to express an opinion, as required by section 3 of Annex 20 to the Commission Delegated Regulation (EU) 2019/980, about whether the pro forma financial information has been compiled, in all material respects, by the Management on the basis of the applicable criteria.

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3420, Assurance engagements to report on the compilation of pro forma financial information included in a prospectus, issued by the International Auditing and Assurance Standards Board. This standard requires that the practitioner plan and perform procedures to obtain reasonable assurance about whether the Management have compiled, in all material respects, the pro forma financial information on the basis of the applicable criteria and whether this basis is consistent with the accounting policies of the Company described in the unaudited pro forma financial information.

Our work primarily consisted of comparing the unadjusted financial information with the source documents as described in the unaudited pro forma financial information, considering the evidence supporting the adjustments and discussing the pro forma financial information with Management of the Company.

The aforementioned opinion does not require an audit of historical unadjusted financial information, the adjustments to conform the accounting policies of the acquired entity to the accounting policies of the Company, or the assumptions summarized in the unaudited pro forma financial information. For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma financial information.

The purpose of pro forma financial information included in a prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event or transaction had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction as at 31 December 2022 and for the year ended 31 December 2022 would have been as presented.

A reasonable assurance engagement to report on whether the pro forma financial information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Management in the compilation of the pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and obtain sufficient appropriate evidence about whether:

- The related unaudited pro forma adjustments give appropriate effect to those criteria; and
- The unaudited pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information; and
- The unaudited pro forma financial information has been compiled on a basis consistent with the accounting policies of the Company.

The procedures selected depend on the practitioner's judgment, having regard to the practitioner's understanding of the nature of the company, the event or transaction in respect of which the pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the pro forma financial information.



We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion

- the pro forma financial information has been properly compiled on the basis stated in in the unaudited pro forma financial information; and
- such basis is consistent with the accounting policies of the Company.

Distribution and use

This report is issued for the sole purpose of offering of the listing of shares on Oslo Børs, as set out in the Prospectus approved by the Financial Supervisory Authority of Norway. Our work has not been carried out in accordance with auditing, assurance or other standards and practices generally accepted in the United States and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices. Therefore, this report is not appropriate in other jurisdictions and should not be used or relied upon for any purpose other than the listing and issuance of shares described above. We accept no duty or responsibility to and deny any liability to any party in respect of any use of, or reliance upon, this report in connection with any type of transaction, including the sale of securities other than the listing of the shares on Oslo Børs and other regulated markets in the European Union or European Economic Area, as set out in the Prospectus approved by the Financial Supervisory Authority of Norway.

Oslo, 17 May 2023

PricewaterhouseCoopers AS

A handwritten signature in blue ink that reads 'Anders Ellefsen'.

Anders Ellefsen
State Authorised Public Accountant (Norway)