

Prospectus



HMH HOLDING B.V.

(a private limited liability company incorporated under the laws of the Netherlands)

Admission to listing and trading of HMH Holding B.V.'s 9.875% senior secured USD 275,000,000 bonds 2023/2026 on the Oslo Stock Exchange

This prospectus (the "**Prospectus**") has been prepared by HMH Holding B.V., a private limited liability company incorporated under the laws of the Netherlands ("**HMH**" or the "**Issuer**", and together with its subsidiaries, the "**Group**") in connection with the admission to listing and trading on Euronext Oslo Børs, a regulated marketplace part of Euronext and operated by Oslo Børs ASA (the "**Oslo Stock Exchange**"), of the 9.875% senior secured USD 275,000,000 bonds 2023/2026 with ISIN NO0013063495, issued by the Issuer on 16 November 2023 (the "**Bonds**" or the "**Bond Issue**") (such admission, the "**Listing**").

The Bonds are registered in Euronext Securities Oslo, the Norwegian Central Securities Depository (the "**CSD**") in book-entry form. All Bonds rank in parity with one another.

The Bonds are expected to be listed and tradable on the Oslo Stock Exchange on or about 12 June 2025 under the ticker code "HMH02".

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

Investing in the Issuer or the Bonds involves a high degree of risk. Any prospective investors should read the entire Prospectus, and in particular consider Section 2 "**Risk factors**", when considering an investment in the Bonds or the Issuer.

The distribution of this Prospectus may be restricted by law in certain jurisdictions. Persons in possession of this Prospectus are required by the Issuer to inform themselves about and to observe any such restrictions. Any failure to comply with these regulations may constitute a violation of the securities laws of the relevant jurisdiction. See Section 10 (**SELLING AND TRANSFER RESTRICTIONS**).

10 June 2025

IMPORTANT INFORMATION

This Prospectus has been prepared by the Issuer solely for use in connection with the Listing of the Bonds on the Oslo Stock Exchange.

This Prospectus has been prepared to comply with 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, as amended (the "**EU Prospectus Regulation**"). This Prospectus has been prepared solely in the English language and in accordance with the EU Prospectus Regulation and the bond rules issued by the Oslo Stock Exchange.

This Prospectus has been approved by the Dutch Authority for the Financial Markets (NL.: *Stichting Autoriteit Financiële Markten*, the "**AFM**"), as the competent authority under the EU Prospectus Regulation. The AFM 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, the Guarantors or the quality of the securities that are the subject of this Prospectus. Prospective investors should make their own assessment as to the suitability of investing in the securities.

The validity of this Prospectus will expire on the earlier of (i) the Listing, and (ii) 12 months from the date of this Prospectus. The obligation to supplement a prospectus in the event of significant new factors, material mistakes or material inaccuracies does not apply when this Prospectus is no longer valid (see Section 3.1 (*Other important investor information*)).

The Issuer has requested the AFM to notify its approval in accordance with article 25(1) of the EU Prospectus Regulation to the Norwegian Financial Supervisory Authority (NW.: *Finanstilsynet*, the "**NFSA**") the competent authority of Norway, and the European Securities and Markets Authority ("**ESMA**"), by means of a certificate of approval attesting that the Prospectus has been prepared in accordance with the EU Prospectus Regulation.

Unless otherwise indicated, the information contained in this Prospectus is current as of the date hereof and is subject to change, completion and amendment without notice. In accordance with Article 23 of the EU Prospectus Regulation, every significant new factor, material mistake or material inaccuracy relating to the information included in this Prospectus, which may affect the assessment of the Bonds and which arises or is noted between the date of this Prospectus and the Listing, will be presented in a supplement to this Prospectus without undue delay. Neither the publication nor distribution of this Prospectus shall under any circumstances imply that there has been no change in the Group's affairs or that the information herein is correct as of any date subsequent to the date of this Prospectus.

All inquiries relating to this Prospectus should be directed to the Issuer. No person is authorized to give information or to make any representation concerning the Group in connection with the Listing other than as contained in this Prospectus. If any such information is given or made, it must not be relied upon as having been authorized by the Issuer or by any of its affiliates, representatives, advisors or selling agents.

Any reproduction or distribution of this Prospectus, in whole or in part, is prohibited.

An investment in the Bonds involves inherent risks. Potential investors should carefully consider the risk factors set out in section 2 "*Risk Factors*" in addition to the other information contained herein before making an investment decision. An investment in the Bonds is suitable only for investors who understand the risk factors associated with this type of investment and who can afford a loss of their entire investment. In making an investment decision, prospective investors must rely on their own examination, and analysis of, and enquiry into the Group and the Bonds, including the merits and risks involved. Neither the Issuer nor any of its advisers are making any representation to any purchaser of the Bonds regarding the legality of an investment in the Bonds by such purchaser under the laws applicable to such purchaser. The contents of this Prospectus do not constitute legal, tax, business, or financial advice, and 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 Bonds.

This Prospectus does not constitute an offer of, or an invitation to purchase or sell any of the securities described herein in any jurisdiction in which such offer or sale would be unlawful. The distribution of this Prospectus and the offer and sale of the Bonds may in certain jurisdictions be restricted by law. The Issuer has not registered the Bonds under the U.S. Securities Act, and does not expect to do so in the future. The Bonds may not be offered or sold in the United States or to U.S. persons (as defined in Regulation S under the Securities Act), except pursuant to an exemption from the registration requirements of the U.S. Securities Act and applicable state securities law, or pursuant to an effective registration statement. Neither this Prospectus nor any advertisement or other material pertaining to the securities of the Issuer 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 applicable restrictions. In addition, the Bonds are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under applicable securities laws and regulations.

All Sections of the Prospectus should be read in context with the information included in Section 3 "*General information*".

TABLE OF CONTENTS

1	SUMMARY	5
2	RISK FACTORS	16
2.1	Risks related to the Group's business	16
2.2	Risks related to environmental and regulatory matters.....	30
2.3	Risks related to legal, accounting and tax matters	36
2.4	Risks related to technology and intellectual property.....	39
2.5	Risks related to the Group's indebtedness	43
2.6	Risks related to the Bonds.....	44
3	GENERAL INFORMATION	47
3.1	Other important investor information	47
3.2	Responsibility statement.....	47
3.3	Presentation of financial and other information	47
3.4	Cautionary note regarding forward-looking statements	52
3.5	Validity	53
4	THE BONDS	54
4.1	Main terms of the Bonds.....	54
4.2	Bondholders rights.....	63
4.3	Reasons for the Listing.....	64
4.4	Tax warning	65
4.5	No credit ratings	65
5	BUSINESS OF THE GROUP	66
5.1	Introduction and business overview.....	66
5.2	History and brands	68
5.3	Global footprint and large installed base	69
5.4	Products and services	71
5.5	Customers and end markets	74
5.6	Strategy.....	75
5.7	Research and development.....	76
5.8	Competition	77
5.9	Material agreements outside the ordinary course of business.....	78
5.10	Legal and arbitral proceedings	80
6	SELECTED HISTORICAL FINANCIAL INFORMATION AND OTHER INFORMATION	81
6.1	Introduction, basis of preparation	81
6.2	The Issuer	81
6.3	The Guarantors	81
7	RECENT DEVELOPMENTS	86
7.1	General overview and recent developments	86
7.2	Significant changes in the financial position of the Issuer and the Guarantors.....	87
7.3	Significant changes in the financial performance of the Issuer and the Guarantors	87
7.4	Recent events relevant to the evaluation of the solvency of the Issuer and the Guarantors	87
7.5	Material changes in the borrowing and funding structures of the Group.....	87
7.6	Expected financing of the Group's activities	88

8	THE BOARD OF DIRECTORS AND MANAGEMENT	89
8.1	Introduction.....	89
8.2	The Issuer	89
8.3	The board of directors and management of the Guarantors.....	93
8.4	Conflicts of interests	102
9	CORPORATE INFORMATION.....	103
9.1	Corporate information relating to the Issuer	103
9.2	Legal structure.....	104
9.3	Major shareholders.....	107
9.4	Selected corporate information relating to the Guarantors	108
10	SELLING AND TRANSFER RESTRICTIONS.....	113
10.1	Selling and transfer restrictions	113
11	ADDITIONAL INFORMATION.....	114
11.1	Independent auditor.....	114
11.2	Advisors.....	114
11.3	Availability of Documents	114
12	DEFINITIONS AND GLOSSARY OF TERMS	115

APPENDICES TO THE PROSPECTUS:

APPENDIX 1	Articles of Association of HMM Holding B.V.
APPENDIX 2	The Bond Terms
APPENDIX 3	Articles of Association of HMM Holding (Netherlands) B.V.
APPENDIX 4	Articles of Association of MHWirth AS
APPENDIX 5	Articles of Association of Hydril USA Distribution LLC
APPENDIX 6	Articles of Association of Hydril PCB Limited
APPENDIX 7	Articles of Association of HMM Drilling Asia Pte. Ltd.
APPENDIX 8	Articles of Association of MHWirth LLC
APPENDIX 9	Articles of Association of MHWirth GmbH
APPENDIX 10	Articles of Association of MHWirth FZE
APPENDIX 11	Articles of Association of MHWirth do Brasil Equipamentos Ltda
APPENDIX 12	Annual Financial Statements as of and for the financial year ended 31 December 2023 for HMM Holding B.V.
APPENDIX 13	Annual Financial Statements as of and for the financial year ended 31 December 2024 for HMM Holding B.V.

APPENDICES TO THE PROSPECTUS:

APPENDIX 14	Unaudited Interim Financial Statements for the three-month period ended 31 March 2025 for HMM Holding B.V.
APPENDIX 15	Unaudited Interim Financial Statements for the nine-month period ended 30 September 2024 for HMM Holding (Netherlands) B.V.
APPENDIX 16	Audited Annual Financial Statements as of and for the financial year ended 31 December 2022 for MHWirth AS
APPENDIX 17	Audited Annual Financial Statements as of and for the financial year ended 31 December 2023 for MHWirth AS
APPENDIX 18	Unaudited Interim Financial Statements for the nine-month period ended 30 September 2024 for MHWirth AS
APPENDIX 19	Audited Annual Financial Statements as of and for the financial years ended 31 December 2023 and 31 December 2022 for Hydril USA Distribution LLC
APPENDIX 20	Unaudited Interim Financial Statements for the nine-month period ended 30 September 2024 for Hydril USA Distribution LLC
APPENDIX 21	Audited Annual Financial Statements as of and for the financial year ended 31 December 2022 for Hydril PCB Limited
APPENDIX 22	Audited Annual Financial Statements as of and for the financial year ended 31 December 2023 for Hydril PCB Limited
APPENDIX 23	Unaudited Interim Financial Statements for the nine-month period ended 30 September 2024 for Hydril PCB Limited
APPENDIX 24	Audited Annual Financial Statements as of and for the financial year ended 31 December 2022 for HMM Drilling Asia Pte. Ltd.
APPENDIX 25	Audited Annual Financial Statements as of and for the financial year ended 31 December 2023 for HMM Drilling Asia Pte. Ltd.
APPENDIX 26	Unaudited Interim Financial Statements for the nine-month period ended 30 September 2024 for HMM Drilling Asia Pte. Ltd.
APPENDIX 27	Unaudited Annual Financial Statements as of and for the financial year ended 31 December 2022 for MHWirth LLC
APPENDIX 28	Unaudited Annual Financial Statements as of and for the financial year ended 31 December 2023 for MHWirth LLC
APPENDIX 29	Unaudited Interim Financial Statements for the nine-month period ended 30 September 2024 for MHWirth LLC
APPENDIX 30	Audited Annual Financial Statements as of and for the financial year ended 31 December 2022 for MHWirth GmbH

APPENDICES TO THE PROSPECTUS:

- | | |
|--------------------|---|
| APPENDIX 31 | Audited Annual Financial Statements as of and for the financial year ended 31 December 2023 for MHWirth GmbH |
| APPENDIX 32 | Unaudited Interim Financial Statements for the nine-month period ended 30 September 2024 for MHWirth GmbH |
| APPENDIX 33 | Audited Annual Financial Statements as of and for the financial year ended 31 December 2022 for MHWirth FZE |
| APPENDIX 34 | Audited Annual Financial Statements as of and for the financial year ended 31 December 2023 for MHWirth FZE |
| APPENDIX 35 | Unaudited Interim Financial Statements for the nine-month period ended 30 September 2024 for MHWirth FZE |
| APPENDIX 36 | Audited Annual Financial Statements as of and for the financial year ended 31 December 2022 for MHWirth do Brasil Equipamentos Ltda |
| APPENDIX 37 | Audited Annual Financial Statements as of and for the financial year ended 31 December 2023 for MHWirth do Brasil Equipamentos Ltda |
| APPENDIX 38 | Unaudited Interim Financial Statements for the nine-month period ended 30 September 2024 for MHWirth do Brasil Equipamentos Ltda |

1 SUMMARY

SECTION A | INTRODUCTION

(i) Warning

This summary should be read as an introduction to the prospectus (the "**Prospectus**") prepared by HMM Holding B.V. ("**HMM**" or the "**Issuer**", and together with its subsidiaries, the "**Group**") in connection with the admission to listing and trading on Euronext Oslo Børs, a regulated marketplace part of Euronext and operated by Oslo Børs ASA (the "**Oslo Stock Exchange**"), of the 9.875% senior secured USD 275,000,000 bonds 2023/2026 with ISIN NO0013063495, issued by the Issuer on 16 November 2023 (the "**Bonds**" or the "**Bond Issue**") (such admission, the "**Listing**"). Any decision to invest in the Bonds should be based on a consideration of the Prospectus as a whole by the investor. An investment involves inherent risk and the investor could lose all or part of its invested capital. Where a claim relating to the information contained in the 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 this summary, but only where this 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.

(ii) The securities:

The Prospectus relates to the Bonds (HMM's 9.875% senior secured USD 275,000,000 bonds 2023/2026).

(iii) The issuer:

HMM Holding B.V. with registration number 82719322 and registered business address Weerdestein 97, 1083GG Amsterdam, the Netherlands. The Issuer's LEI-code is 8945008FRZIYPW0VW366. The Issuer may be contacted by telephone at +47 38 05 70 00.

(iv) The competent authority approving the Prospectus:

The Dutch Authority for the Financial Markets (NL.: *Stichting Autoriteit Financiële Markten* or "**AFM**"), with trade register number 41207759 and registered business address at Vijzelgracht 50, 1017 HS, Amsterdam, the Netherlands, and telephone number +31(0)20-797 2000. The Issuer has requested the AFM to notify its approval in accordance with article 25(1) of the Prospectus Regulation to the competent authority of Norway, the Norwegian Financial Supervisory Authority (NW.: *Finanstilsynet*), and the European Securities and Markets Authority, by means of a certificate of approval attesting that the Prospectus has been prepared in accordance with the EU Prospectus Regulation.

(v) The date of approval of the Prospectus:

10 June 2025.

SECTION B | KEY INFORMATION ON THE ISSUER

(i) Who is the issuer of the securities?

Corporate information

HMM Holding B.V. is a private limited liability company existing under the laws of the Netherlands pursuant to the Dutch Civil Code, having its seat (NL.: *statutaire zetel*) in Amsterdam, the Netherlands, with registration number 82719322 and LEI-code 8945008FRZIYPW0VW366. The Issuer was incorporated on 28 April 2021 (at that time named: MHH Holding B.V.).

The Issuer is the sole owner of its subsidiaries.

Principal activities

The Group is a provider of highly engineered, mission-critical equipment solutions, providing customers with a comprehensive portfolio of drilling equipment, services and systems utilized in oil and gas drilling operations, both offshore and onshore. The Group provides customers with technology, engineering and project management

services through the entire asset lifecycle of the equipment the Group provides. In addition, the Group's portfolio includes products and services to adjacent industries, such as mining.

The Group's offerings are broadly categorized as:

- **Sales of projects and products.** This includes (i) comprehensive drilling equipment packages containing a full suite of components needed for a newbuild or reactivated drilling rig and (ii) individual or grouped components of drilling and pressure control equipment that facilitate customers maintaining and upgrading their existing fleet.
- **Aftermarket services.** This includes services and replacement parts on installed equipment and integrated digital solutions. Aftermarket services facilitate customers maintaining and improving the lifespan, safety and efficiency of their existing drilling rig fleets.
- **Sales of spare parts.** This includes replacement parts for installed equipment used in oil and gas drilling operations.

Major shareholders

As of the date of the Prospectus, the Issuer's shares are held by three shareholders, as set out below:

Shareholder	No. of shares	Ownership/voting rights
Baker Hughes Holdings LLC	50 A shares	50.00%
	50 B shares	
Akastor AS	50 B shares	25.00%
Mercury HoldCo Inc.	50 A shares	25.00%
Total		100.00%

Akastor AS and Mercury Holdco Inc. are wholly owned by Akastor ASA.

The Bonds are secured by guarantees issued by selected subsidiaries of the Issuer (as set out in this Summary below, together the "**Guarantors**"). The Issuer is the parent of the Group and all Guarantors are wholly owned by the Issuer (directly or indirectly). As such, the Issuer's shareholders exercise control over the Issuer and the Group. Neither the Issuer nor any of the Guarantors hold any treasury shares, and none of the Guarantors nor any of the Issuer's other subsidiaries hold shares in the Issuer.

Both class A and class B shares have voting rights and vote together as a single class on all matters presented for their vote or approval, except as otherwise required by applicable law or the Issuer's articles of association. Class A shares track the Issuer's US operations, while class B shares track its non-US operations.

Managing directors

The Issuer's board of directors consists of the following individuals:

- Daniel W. Rabun, Board Member (Chair)
- Judson E. Bailey, Board Member
- Karl Erik Kjelstad, Board Member
- Kristian M. Røkke, Board Member
- Georgia M. Magno Board Member

Statutory auditor

The Issuer's independent auditor is KPMG Accountants N.V., with registered business address Laan van Langerhuize 1 Amstelveen, 1186 DS, the Netherlands.

(ii) What is the key financial information regarding the issuer?

The financial information in the Prospectus relating to the Issuer has been derived from the following financial

statements (together, the "**Issuer Financial Information**"):

- Audited consolidated financial statements for the Issuer as of and for the financial years ended 31 December 2024 and 31 December 2023 (the "**Issuer Annual Financial Statements**"), prepared in accordance with the International Financial Reporting Standards issued by the International Accounting Standards Board ("**IFRS**") as adopted by the EU and title 2.9 of the Dutch Civil Code. The Issuer Annual Financial Statements are presented in USD and have been audited by KPMG Accountants N.V. The audit reports are issued without any qualifications, modifications of opinion or disclaimers; and
- Unaudited interim financial statements for the Issuer as of and for the three-month period ended 31 March 2025, with comparable figures for Issuer's consolidated statement of income and consolidated statement of cash flows for the three-month period ended 31 March 2024 (the "**Issuer Interim Financial Statements**"). The Interim Financial Statements are prepared in accordance with the International Accounting Standard 34 "*Interim Financial Reporting*" as adopted by the EU ("**IAS 34**"). The Interim Financial Statements are presented in USD and have not been audited.

The following summarizes the consolidated financial data of the Group as derived from the Issuer Financial Information:

Consolidated statement of income

(in USD 1,000)	Year ended 31 December (audited)		Three-month period ended 31 March (unaudited)	
	2024	2023	2025	2024
Revenue and other income	843,268	785,579	198,430	193,377
Operating profit / loss (-)	114,537	77,544	14,838	20,488
Profit / Loss (-) before tax	70,051	27,431	9,551	10,548
Total comprehensive income/loss (-)	21,033	18,785	17,714	(103)

Consolidated statement of financial position

(in USD 1,000)	Year ended 31 December (audited)		Three-month period ended 31 March (unaudited)
	2024	2023	2025
Non-current borrowings	328,747	315,175	332,063
Current borrowings	14,428	25,453	-
Cash and cash equivalents	48,912	62,524	46,984
<i>Net financial debt*</i>	294,263	278,104	285,079

* This is not separately reported on in the Issuer Financial Statements. This the sum of 'non-current borrowings' plus 'current borrowings' minus 'cash and cash equivalents'.

Consolidated statement of cash flows

(in USD 1,000)	Year ended 31 December (audited)		Three-month period ended 31 March (unaudited)	
	2024	2023	2025	2024
Net cash from operating activities	45,195	33,237*	15,606	13,028
Net cash flow from financing activities	(17,641)	6,994*	(17,129)	(20,883)
Net cash flow from investing activities	(37,943)	(24,057)	(2,297)	(5,320)

* As restated in the Issuer Financial Information for the year ended 31 December 2024.

(iii) What are the key risks that are specific to the issuer?

- The Group generates substantial revenues from companies involved in oil and natural gas exploration and production, an industry known for its cyclical nature, with levels of activity that are directly affected by the fluctuating levels and volatility of oil and natural gas prices;
- The Group faces competition that may cause it to lose market share or be unable to maintain or increase prices for its present products and services or to acquire additional business opportunities, which could have a material adverse effect on the Group's business, financial condition, results of operations and cash flows;
- The Group depends on suppliers and may become subject to product shortages, long lead times and price increases, which could have a negative impact on its results of operations;
- The Group depends on a limited number of customers, and the loss of business from one or more significant customers or the failure to perform under any contract with such significant customers could have a material adverse effect on the Group's business, financial condition, results of operations and cash flows;
- There are risks associated with certain contracts for the Group's products and services, whereby various factors could reduce the Group's margins on its contracts for the sale of products and services, adversely impact completion of these contracts, adversely affect its position in the market or subject it to contractual penalties, each of which could have a material adverse effect on the Group's operating results and financial condition;
- The Group sometimes provides packages and other engineered products for multi-year, fixed price contracts that may require it to assume risks associated with cost over-runs, operating cost inflation, labor availability, supplier and contractor pricing and performance and potential claims for liquidated damages, which may reduce the profit to be realized or result in a loss on a project;
- The Group's operations may be materially adversely impacted by deteriorating macroeconomic conditions, which could, among other things, negatively impact the demand for the Group's products and services and, in turn, its financial performance;
- A default by any of the Group's customers and counterparties could adversely affect its business, financial condition, results of operations and cash flows;
- Environmental liabilities could adversely affect the Group's customers' business, financial condition and results of operations, which in turn could have a negative impact on demand for the Group's products and services;
- The Group's business and its customers' businesses are subject to complex laws and regulations that can adversely affect the cost, manner or feasibility of doing business; and
- The Group's business may be subject to risks related to climate change, including physical risks such as increased adverse weather patterns and transition risks such as evolving climate change regulation, alternative fuel measures and mandates, shifting consumer preferences, technological advances and negative shifts in market perception towards the oil and natural gas industry and associated businesses, any of which could result in increased operating expenses and capital costs or decreased resources and adversely affect its financial results.

SECTION C | KEY INFORMATION ON THE BONDS

(i) What are the main features of the securities?Type, class and ISIN

The Bonds are senior secured bonds, electronically registered in dematerialized form with the Norwegian central securities depository, Euronext Securities Oslo, and with ISIN NO 001 3063495. The Bond Issue is governed by the Norwegian law governed bond terms entered into on 15 November 2023 and as amended and restated on 10 February 2025 (the "**Bond Terms**") between the Issuer as issuer and Nordic Trustee AS as the bond trustee (the "**Bond Trustee**") on behalf of the bondholders (the "**Bondholders**" or, individually, a "**Bondholder**"). Nordic Trustee Services AS acts as paying agent under the Bonds (the "**Paying Agent**").

Currency, par value and number of securities

The Bonds are issued in USD, each with an Initial Nominal Amount of USD 1.00 (as defined in the Bond Terms). The total amount of Bonds issued was USD 200,000,000 and the maximum issue amount is USD 275,000,000. The tenor of the Initial Bond Issue (as defined in the Bond Terms) is three (3) years, with Issue Date (as defined in the Bond Terms) on 16 November 2023 and Maturity Date (as defined in the Bond Terms) on 16 November 2026.

Rights attached to the securities

Each Bond accrues interest at 9.875 per cent per annum on the Nominal Amount (as defined in the Bond Terms) for each Interest Period, commencing on and including the first date of the Interest Period, and ending on but excluding the last date of the Interest Period. In addition, the holders of the Bonds will have the right to require that the Issuer purchases all or some of the Bonds held by that Bondholder at a price equal to 101.00 per cent. of the Nominal Amount in the event of a Change of Control (as defined in the Bond Terms) in the Issuer or a Share De-Listing Event (as defined in the Bond Terms).

The Bonds and each other payment obligation under or in relation to the Finance Documents (as defined in the Bond Terms) constitute senior secured unsubordinated obligations of the Issuer and each other Obligor (as defined in the Bond Terms). The Bonds and each other payment obligation under or in relation to the Finance Documents will rank *pari passu* between themselves and at least *pari passu* with all other obligations of the Issuer and each Obligor (save for such claims which are mandatorily preferred by bankruptcy, insolvency, liquidation or other similar laws of general application). All payment obligations under or in relation to the Finance Documents shall rank ahead of any subordinated capital.

The Bonds are secured on a *pari passu* basis with the other Secured Parties (as defined in the Bond Terms) in respect of the Transaction Security (as defined in the Bond Terms) (other than the Escrow Account Pledge (as defined in the Bond Terms) and the Bond Escrow Account Pledge (as defined in the Bond Terms)), subject to the super senior status of the Revolving Credit Facility (as defined in the Bond Terms) and (if applicable) the Secured Hedging Obligations (as defined in the Bond Terms), as further described in the Bond Terms and the Intercreditor Agreement (as defined in the Bond Terms). The RCF Creditors (as defined in the Bond Terms) and Hedge Counterparties (as defined in the Bond Terms) will receive (i) the proceeds from any enforcement of the Transaction Security (other than the Escrow Account Pledge and the Bond Escrow Account Pledge) and certain distressed disposals and (ii) any payments following any other enforcement event prior to the Bondholders (but otherwise rank *pari passu* in right of payment with the Bonds) in accordance with the waterfall provisions of the Intercreditor Agreement.

Transfer restrictions

Subject to the restrictions set forth in clause 11 (Purchase and Transfer of Bonds) of the Bond Terms, the Bonds are freely transferable and may be pledged. Bondholders may be subject to purchase or transfer restrictions with regard to the Bonds, as applicable from time to time under local laws to which a Bondholder may be subject (due e.g. to its nationality, its residency, its registered address, its place(s) for doing business). Each Bondholder must ensure compliance with local laws and regulations applicable at own cost and expense. Notwithstanding the above, a Bondholder which has purchased the Bonds in contradiction to mandatory restrictions applicable may nevertheless utilise its voting rights under the Bond Terms.

(ii) Where will the securities be traded?

On 11 June 2025, the Issuer will apply for the Bonds to be listed and admitted to trading on the Oslo Stock Exchange.

The Issuer expects that the Bonds will commence trading on the Oslo Stock Exchange on or around 12 June 2025 under the ticker code "HMHH02".

The Issuer has not applied for admission to trading of the Bonds on any other stock exchange, regulated market or multilateral trading facility, and the Bonds have not previously been subject to public trading.

(iii) Is there a guarantee attached to the securities?

Yes. The Guarantees (as defined in the Bond Terms) are joint and several unconditional and irrevocable Norwegian law governed guarantees and indemnity (NW.: *selvsyldnerkausjon*) issued by each of the Guarantors in respect of the Secured Obligations (as defined in the Bond Terms), which includes, inter alia, all liabilities incurred by any member of the Group (including the Issuer) in connection with the Bond Terms and the related Finance Documents.

Key corporate information relating to the Guarantors

As of the date of the Prospectus, the Group's obligations under the Bond Terms are jointly and severally guaranteed by each of:

Guarantors	Domicile and country of incorporation	Date of incorporation	Place of registration	Registration number	LEI code
HMH Holding (Netherlands) B.V.	The Netherlands	8 February 2024	The Commercial Register of the Chamber of Commerce	92899412	254900CY4VH9K3OHLM84
MHWirth AS	Norway	27 February 1987	The Norwegian Register of Business Enterprises	942 524 544	549300HDWI4UGF5PXN97
Hydril USA Distribution LLC	USA	28 February 2008	The Delaware Division of Corporations	4511531	549300S3DZSMR28PBY38
Hydril PCB Limited	United Kingdom	9 May 1979	The UK Companies House	1418491/FEIN: 98-0565114	93B04WSV2YH2GAMGHL39
HMH Drilling Asia Pte. Ltd.	Singapore	31 October 2007	The Accounting and Corporate Regulatory Authority of Singapore	FEIN: 98-0565104	7M2Q77WI4MC6Z0NHKK48
MHWirth LLC	USA	3 June 2014	The Delaware Division of Corporations	5544340	254900GX9VASR5A88I75
MHWirth GmbH	Germany	Year 1895	The Commercial Register of the District Court of Mönchengladbach	DE 122387896	967600HPWLDN8B7I6R95
MHWirth FZE	UAE	17 April 2008	Jebel Ali Free Zone	108551	2549002OSPK1PVMSSDD74
MHWirth do Brasil Equipamentos Ltda.	Brazil	2 October 2017	National Registry of Legal Entities of Brazil	28.779.772/0001-92	254900ICTMF1GYVFLF89

Key financial information relating to the Guarantors

Selected historical and interim financial information about each Guarantor is included in the tables below, covering the financial years and periods as set out for each individual Guarantor below. Where such information is audited, the relevant audit reports do not contain any qualifications.

HMH Holding (Netherlands) B.V. :

Statement of income

<i>(in USD)</i>	Nine-month period ended 30 September 2024 (unaudited)
Revenue and other income	-
Operating profit / loss (-)	-
Profit / Loss (-) before tax	-
Profit / loss (-) for the period	-

Statement of financial income

<i>(in USD)</i>	Nine-month period ended 30 September 2024 (unaudited)
Net financial debt (long term debt plus short term debt minus cash)	-

Statement of cash flows

<i>(in USD 1,000)</i>	Nine-month period ended 30 September 2024 (unaudited)
Net cash from operating activities	-
Net cash flow from financing activities	-
Net cash flow from investing activities	-

MHWirth AS:

Statement of income

<i>(in NOK 1,000)</i>	Year ended 31 December (audited)		Nine-month period ended 30 September (unaudited)	
	2023	2022	2024	2023
Total revenue	2,276,129	2,346,153	1,905,534	1,656,928
Net operating income	10,642	59,022	94,611	9,599
Net profit before tax	143,089	(33,913)*	121,063	54,038
Net profit	124,728	(74,088)*	119,187	51,188

* As restated in MHWirth AS' audited financial statements for the year ended 31 December 2024.

Statement of financial position

<i>(in NOK 1,000)</i>	Year ended 31 December (audited)		Nine-month period ended 30 September (unaudited)
	2023	2022	2024
Net financial debt	-	-	-

Statement of cash flows

<i>(in NOK 1,000)</i>	Year ended 31 December (audited)		Nine-month period ended 30 September (unaudited)	
	2023	2022	2024	2023
Net cash flow from operations	122,131	(94,684)	89,023	(75,300)
Net cash flow from investment activities	39,502	140,872	(124,396)	(11,490)
Net cash flow from financing activities	(161,633)	(46,188)	35,373	86,790

Hydril USA Distribution LLC:

Statement of income

<i>(in USD 1,000)</i>	Year ended 31 December (audited)		Nine-month period ended 30 September (unaudited)	
	2023	2022	2024	2023
Total revenue	283,413	224,700	216,428	205,762
Operating income (loss)	23,026	(5,743)	27,456	13,815
Income (loss) before income taxes	20,990	(5,734)	27,662	12,168
Net income (loss)	19,802	(6,139)	27,489	11,212

Statement of financial position

(in USD 1,000)	Year ended 31 December (audited)		Nine-month period ended 30 September (unaudited)	
	2023	2022	2024	
Net financial debt	-	-	-	

Statement of cash flows

(in USD 1,000)	Year ended 31 December (audited)		Nine-month period ended 30 September (unaudited)	
	2023	2022	2024	2023
Net cash flows (used in) provided by operating activities	(1,750)	22,130	30,506	(5,779)
Net cash flows used in investing activities	(3,727)	(10,381)	(4,079)	4,114
Net cash flows (used in) provided by financing activities	12,000	(15,000)	(12,000)	12,000

Hydril PCB Limited:Statement of income

(in GBP 1,000)	Year ended 31 December (audited)		Nine-month period ended 30 September (unaudited)	
	2023	2022	2024	2023
Gross profit	23,426	15,557	16,898	17,079
Operating profit	20,215	15,131	13,141	14,992
Profit before taxation	20,748	15,445	15,106	15,372
Profit for the financial year	15,830	13,431	11,881	11,720

Statement of financial position

(in GBP 1,000)	Year ended 31 December (audited)		Nine-month period ended 30 September (unaudited)	
	2023	2022	2024	
Net financial debt	-	-	-	

Statement of cash flows

As permitted by Financial Reporting Standard 101 Reduced Disclosure Framework, Hydril PCB Limited has taken advantage of the exemption from the IFRS requirement to present a statement of cash flows and related notes.

HMH Drilling Asia Pte. Ltd.:Statement of income

(in USD)	Year ended 31 December (audited)		Nine-month period ended 30 September (unaudited)	
	2023	2022	2024	2023
Gross profit	23,827,323	15,914,024	16,309,596	15,446,570
Results from operating activities	13,580,484	10,878,640	8,620,506	9,091,744
Profit before tax	14,064,197	11,045,933	8,811,019	9,534,732
Total comprehensive income for the year	10,994,355	9,245,601	7,111,239	7,297,094

Statement of financial position

(in USD)	Year ended 31 December (audited)		Nine-month period ended 30 September (unaudited)	
	2023	2022	2024	
Net financial debt	-	-	-	

Statement of cash flows

(in USD)	Year ended 31 December (audited)		Nine-month period ended 30 September (unaudited)	
	2023	2022	2024	2023
Net cash from operating activities	9,908,518	9,624,849	4,394,765	4,355,756
Net cash from investing activity	549,588	(120,525)	309,395	423,701
Net cash flow used in financing activities	(14,065,875)	(7,521,678)	(118,882)	(7,011,629)

MHWirth LLC:

Statement of income

(in USD 1,000)	Year ended 31 December (audited)		Nine-month period ended 30 September (unaudited)	
	2023	2022	2024	2023
Revenue and other income	12,852	14,143	12,404	8,878
Operating profit / loss (-)	(1,616)	14,200	1,563	(477)
Profit / Loss (-) before tax	(3,037)	(3,758)	(1,565)	(2,079)
Net income (loss)	(3,037)	(3,758)	(1,565)	(2,079)

Statement of financial position

(in USD)	Year ended 31 December (audited)		Nine-month period ended 30 September (unaudited)	
	2023	2022	2024	
Net financial debt	-	-	-	

Statement of cash flows

(in USD 1,000)	Year ended 31 December (audited)		Nine-month period ended 30 September (unaudited)	
	2023	2022	2024	2023
Net cash outflow from operating activities	(888)	(1,163)	(7,668)	(554)
Net cash flows (used in) / provided by investing activities	(270)	67	-	(270)
Net cash flow from financing activities	3,108	398	3,773	2,705

MHWirth GmbH:

Statement of income

(in EUR)	Year ended 31 December (audited)		Nine-month period ended 30 September (unaudited)	
	2023	2022	2024	2023
Revenue	60,124,782.68	76,987,442.72	59,474,883.69	45,558,354.22

Results after tax	14,639.25	(2,894,778.33)	2,372,295.23	(604,442.53)
Net income/loss for the year	14,319.26	(2,895,032.33)	2,371,902.23	(604,602.53)

Statement of financial position

(in EUR)	Year ended 31 December (audited)		Nine-month period ended 30 September (unaudited)	
	2023	2022	2024	
Net financial debt	-	-	-	

Statement of cash flows

(in EUR 1,000)	Year ended 31 December (audited)		Nine-month period ended 30 September (unaudited)	
	2023	2022	2024	2023
Total cash flow generated from operating activities	2,600*	1,400*	536	(1,274)
Cash flows from investing activities	(1,600)*	(300)*	(599)	(993)
Cash flows from group-wide financing activities	(7,200)*	(1,100)*	(4,808)	(7,129)

* Based on the cash flow statement (in millions of EUR) included in the Management Report accompanying the financial statements. In accordance with applicable local GAAP, MHWirth GmbH's is not required to and does not include a cash flow statement in its audited annual financial statements.

MHWirth FZE:**Statement of income**

(in AED)	Year ended 31 December (audited)		Nine-month period ended 30 September (unaudited)	
	2023	2022	2024	2023
Revenue	78,510,629	32,635,446	30,220,770	54,017,505
Operating profit	13,823,665	1,628,969	(2,526,407)	9,611,202
Profit for the year	13,842,803	1,446,656	(2,381,854)	9,646,210

Statement of financial position

(in AED)	Year ended 31 December (audited)		Nine-month period ended 30 September (unaudited)	
	2023	2022	2024	
Net financial debt	-	-	-	

Statement of cash flows

(in AED)	Year ended 31 December (audited)		Nine-month period ended 30 September (unaudited)	
	2023	2022	2024	2023
Net cash flows generated from operating activities	20,548,170	6,754,222	(9,154,607)	780,459
Net cash used in investing activities	(9,690,593)	-	6,898,705	(581,218)
Net cash used in financing activities	(1,835,998)	(1,836,549)	(1,836,210)	(1,835,998)

MHWirth do Brasil Equipamentos Ltda.:**Statement of income**

<i>(in BRL 1,000)</i>	Year ended 31 December (audited)		Nine-month period ended 30 September (unaudited)	
	2023	2022	2024	2023
Gross profit	93,482	69,375	67,109	69,370
Income before tax and social contribution	40,832	28,703	36,138	34,524
Net income of the year	32,599	24,610	29,750	27,332

Statement of financial position

<i>(in BRL 1,000)</i>	Year ended 31 December (audited)		Nine-month period ended 30 September (unaudited)	
	2023	2022	2024	
Net financial debt	-	-	-	

Statement of cash flows

<i>(in BRL 1,000)</i>	Year ended 31 December (audited)		Nine-month period ended 30 September (unaudited)	
	2023	2022	2024	2023
Net cash provided by operating activities	34,874	24,024	9,681	19,716
Net cash used in investing activities	(21,933)	(6,561)	(7,341)	(18,654)
Net cash used in financing activities	(13,314)	(12,072)	(6,628)	(6,228)

The most material risk factors pertaining to the Guarantors

(iv) See under (iii) *What are the key risks that are specific to the issuer?* above.

(v) What are the key risks that are specific to the securities?

- The Bond Terms impose significant operating and financial restrictions on the Group;
- The security granted by the Guarantors and other Group entities may not be sufficient to cover amounts owed to bondholders;
- The Issuer may have insufficient funds to make required repurchases of Bonds; and
- The Issuer's option to redeem the Bonds may limit the marked value of the Bonds.

SECTION D | KEY INFORMATION ON THE ADMISSION TO TRADING ON A REGULATED MARKET

(i) Under which conditions and timetable can I invest in this security?

Admission to trading

Trading in the Bonds on the Oslo Stock Exchange is expected to commence on or around 12 June 2025, see (ii) *"Where will the securities be traded?"* above.

(ii) Why is the Prospectus being produced?

Reasons for the admission to trading

The Prospectus has been prepared in order to facilitate the Listing. Pursuant to section 4 of the Bond Terms (Admission to listing), the Issuer shall ensure that the Bonds are listed on an Exchange (as defined in the Bond Terms) within nine (9) months of the Issue Date, i.e., 15 August 2024, and thereafter remain listed on an Exchange until the Bonds have been redeemed in full. As of 15 August 2024, the Issuer incurs additional interest of 1% per annum until the Bonds are listed on the Oslo Stock Exchange.

2 RISK FACTORS

This Prospectus is a listing prospectus. An investment in the Bonds involves inherent risk. Before making an investment decision, investors should carefully consider the risk factors and all information contained in this Prospectus, including the Financial Statements and related notes. The risks described in this Section "Risk factors" are the principal known risks faced by the Group as of the date hereof that the Issuer believes are the material risks relevant to an investment in the Bonds. An investment 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 are presented in a limited number of categories, where each risk factor is sought to be placed in the most appropriate category based on the nature of the risk it represents. The most material risk factors in each category are set out first, based on the probability of their occurrence and the expected magnitude of their negative impact. The absence of negative past experience associated with a given risk factor does not mean that the risk factor is not genuine or poses a potential threat to the Group. If any of the following risks were to materialize, individually or together with other circumstances, they could have a material adverse effect on the Group 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 Bonds, resulting in loss of all or part of an investment in the Bonds. Additional factors of which the Issuer is currently unaware or which it currently deems not to be risks, may also have corresponding negative effects.

2.1 Risks related to the Group's business

2.1.1 The Group generates substantial revenues from companies involved in oil and natural gas exploration and production, an industry known for its cyclical nature, with levels of activity that are directly affected by the fluctuating levels and volatility of oil and natural gas prices

The demand for the Group's products and services depends, in large part, on the demand for, and production of, oil and natural gas. In particular, demand for the Group's products and services depends, in large part, on capital investment in offshore drilling. Oil and natural gas are commodities and, therefore, their prices are subject to wide fluctuations in response to relatively minor changes in supply and demand. Supply and demand for oil and natural gas are dependent upon a variety of factors, many of which are beyond the Group's control. These factors include the following:

- worldwide demand of oil and gas, including economic activity in the United States, other large energy consuming markets and in developing energy markets;
- the action of the Organization of the Petroleum Exporting Countries ("OPEC"), its members and other state-controlled oil companies relating to oil price and production controls;
- the level of production in non-OPEC countries;
- domestic and international political, military, regulatory and economic conditions, including global inflationary pressures, Russia's ongoing invasion of Ukraine and sanctions related thereto, as well as the ongoing conflict in Gaza, the Red Sea and the surrounding region;
- delay and regulatory uncertainty stemming from governmental or environmental (including non-governmental organization) opposition to offshore and onshore energy development projects;
- the cost of exploring for, producing and delivering oil and natural gas;
- the discovery rate, size and location of new oil and natural gas reserves, including in offshore areas;
- the rate of decline of existing oil and natural gas reserves due to production;
- laws and regulations related to environmental matters, including those addressing alternative energy sources and the risks of global climate change;
- the development, exploitation and market acceptance of alternative fuels or energy sources and end-user conservation trends;
- domestic, local and foreign governmental regulation, moratoriums on drilling, taxes, tariffs and economic sanctions;

- technological advances, including technology related to the exploitation of shale oil, which can result in over-supply of oil and natural gas or a change in demand for oil and natural gas;
- global or national health concerns, including health epidemics or pandemics such as the COVID-19 pandemic;
- contractions in the credit market;
- cost and availability of storage and transportation of oil, gas and related products;
- inventory levels of oil, gas and related products;
- accidents, adverse weather conditions, natural disasters and other similar incidents relating to the oil and gas industry;
- uncertainty in commodities markets;
- acquisition and divestiture activity among oil and natural gas producers;
- competition among oilfield service and equipment providers;
- the ability of oil and natural gas producers to generate funds for their capital-intensive businesses, including via their ability to raise equity capital and debt financing;
- rough seas and adverse weather conditions, including hurricanes and typhoons;
- expectations regarding future energy prices; and
- worldwide financial instability or recessions.

Prices for oil and natural gas have historically been, and are anticipated to continue to be, volatile and reactive to changes in the supply of and demand for oil and natural gas, domestic and worldwide economic conditions and political instability in oil producing countries. In particular, oil prices fluctuated during 2018 and 2019, and declined dramatically during 2020 due to the decline in demand caused by COVID-19 and associated lockdowns, dropping to USD 9.12 per barrel of Brent crude oil on April 21, 2020. Oil prices steadily increased significantly in 2021 and the first half of 2022 due to increased demand, domestic supply reductions, OPEC control measures and market disruptions resulting from the Russia-Ukraine war and sanctions on Russia. Since the Russia-Ukraine conflict first commenced, Brent crude oil prices have been volatile, reaching a high of USD 112.24 per barrel in June 2022, declining to USD 71.60 per barrel in March 2023 and settling at USD 71.08 per barrel as of 10 March 2025. Natural gas prices reached a high of USD 9.68 per MMBtu in August 2022 before declining to USD 4.23 per MMBtu as of 10 March 2025. Any substantial decline in oil and natural gas prices will likely have an adverse effect on demand for the Group's products and services, and any decreases, over a sustained period of time, could have a material adverse effect on the Group's business, financial condition, results of operations and cash flows.

2.1.2 The Group faces competition that may cause it to lose market share

The oilfield services industry is highly competitive. The principal competitive factors impacting sales of the Group's products and services are price, technology, service quality and safety track record. The market is also fragmented and includes numerous small companies capable of competing effectively in the Group's markets on a local basis, especially in the onshore oil and gas market, as well as several large companies that possess substantially greater financial and other resources than the Group does, especially in the offshore oil and gas market. The Group's larger competitors' greater resources could allow those competitors to compete more effectively than the Group. The Group competes with large national and multi-national companies that have longer operating histories, greater financial, technical and other resources and greater name recognition than the Group does. Some of the Group's competitors provide a broader array of products and services, have a stronger presence in more geographic markets and may be able to respond more quickly to changes in customer requirements resulting from emerging technologies and services. For more information regarding the Group's main competitors, see Section 5.8 (*Competition*).

Most sales of products and projects are awarded on a bid basis, which further increases competition based on price. Pricing is one of the primary factors in determining which qualified contractor is awarded a job. The competitive environment may be further intensified by business combinations among oil and gas companies or other events that have the effect of reducing the number of available customers. If competition remains the same or increases as a result of future industry downturns, the Group may be required to lower its prices, which would

adversely affect the Group's results of operations. In the future, the Group may lose market share or be unable to maintain or increase prices for its present products and services or to acquire additional business opportunities, which could have a material adverse effect on the Group's business, financial condition, results of operations and cash flows.

2.1.3 *The Group depends on suppliers and may become subject to product shortages, long lead times and price increases, which could have a negative impact on its results of operations*

The Group's business relies on a broad range of raw materials and commodities for the products it manufactures. Shortages and transportation and supply disruptions, including trade restrictions and tariffs, can adversely impact supply of its manufacturing raw materials, as well as delivery of finished goods and transportation of its personnel for services. If the Group is unable to purchase raw materials for its products on a timely basis to meet the demands of its customers, the Group's existing customers may, under certain circumstances (such as excessive delays) and pursuant to certain contractual provisions, be able to claim liquidated damages or terminate their contractual relationships with the Group, or the Group may not be able to compete for business from new or existing customers, which, in each case, could have a material adverse effect on the Group's business, financial condition, results of operations and cash flows. Further, supply chain bottlenecks, such as those experienced as a result of the COVID-19 pandemic, could adversely affect the Group's ability to obtain necessary materials, parts or other components used in its operations or increase the costs of such items. A significant increase in the price of such equipment, materials and services, as a result of supply chain and logistics disruptions, policy changes affecting international trade or otherwise, could have a negative impact on the Group's business, financial condition, results of operations and cash flows (for more information on the risks related to policy changes in international trade, see Section 2.1.15 (*Policy changes affecting international trade could adversely impact the demand for the Group's products and its competitive position*) below).

Most of the raw materials and components used in the Group's operations are supplied by certain key vendors. The Group's reliance on these suppliers involves several risks, including price increases and a potential inability to obtain an adequate supply of required components in a timely manner. Weak economic conditions or widespread financial distress could reduce the liquidity of the Group's suppliers or vendors, making it more difficult for them to meet their commitments or obligations to the Group. Nonperformance by suppliers or vendors who have committed to provide the Group with critical products or services could raise the Group's costs, interfere with the Group's ability to successfully conduct its business or have a negative impact on its business, financial condition, results of operations and cash flows. The Group does not have long-term contracts for raw materials or component parts with certain of these suppliers, and a partial or complete loss of any of these sources could have a negative impact on the Group's results of operations and could damage its customer relationships. In addition, the preferences of the Group's customers with respect to particular vendors may change, which could require it to find new vendors.

2.1.4 *The Group depends on a limited number of customers*

The Group depends on a limited number of significant customers. The Group's top five customers accounted for approximately 42.0% and 32.9% of its total consolidated revenues for the years ended 31 December 2024 and 2023, respectively. During the year ended 31 December 2024, one customer accounted for 18.2% of the Group's revenues for such year. The loss of business from one or more significant customers (for example as a result of the Group's backlog of contracts and associated risks, see Section 2.1.5 (*There are risks associated with certain contracts for the Group's products and services*) below), or the failure to perform under any contract with such significant customers (for a description of the specific risks associated with a default by any of the Group's customers, see Section 2.1.8 (*A default by any of the Group's customers and counterparties could adversely affect its business, financial condition, results of operations and cash flows*) below), could have a material adverse effect on the Group's business, financial condition, results of operations and cash flows. There are no individual contracts with customers that are considered material to the Group.

2.1.5 *There are risks associated with certain contracts for the Group's products and services*

As of 31 December 2024, the Group had a backlog of contracts in the amount of USD 464.8 million, of which USD 205.1 million was attributable to projects and products and USD 259.7 million was attributable to services. The following factors, among others, could reduce the Group's margins on its contracts for the sale of products and services, adversely impact completion of these contracts, adversely affect its position in the market or subject it to contractual penalties:

- financial challenges for consumers of the Group's products and services;
- failure to obtain timely payments from the Group's customers, defaults on the Group's customers' payment obligations or disputes with customers involving such payment obligations;
- credit market conditions for consumers of the Group's products and services;
- the Group's failure to adequately estimate costs for making its products;
- the Group's inability to manufacture products that meet contracted technical requirements;
- the Group's inability to timely deliver finished goods;
- the Group's inability to transport its personnel for services;
- the Group's inability to maintain its quality standards during the design and manufacturing process;
- the Group's inability to secure parts made by third-party vendors at reasonable costs and within required timeframes;
- unexpected increases in the costs of raw materials;
- the Group's inability to manage unexpected delays due to weather, shipyard access, labor shortages, public health crises such as the COVID-19 pandemic or other factors beyond its control;
- inability or unwillingness of the customer to renew or sign additional contracts with the Group;
- the imposition of tariffs, duties or economic sanctions, which could materially affect the Group's global supply chain (e.g., steel tariffs under Section 232 of the Trade Expansion Act of 1962 (19 U.S.C. §1862), as amended, may increase the Group's costs, reduce margins or otherwise adversely affect it); and
- trade or travel restrictions, including export sanctions, trade controls or other supply chain interruptions, which could affect the Group's ability to manufacture, sell or receive payment for its products or services.

The Group's existing contracts for products and services generally carry significant down payment and progress billing terms to facilitate the ultimate completion of these projects, and the majority do not allow customers to cancel projects for convenience. However, unfavorable market conditions or financial difficulties experienced by the Group's customers have in the past and may in the future result in cancellation of contracts, the delay or abandonment of projects, unwillingness to enter into subsequent contracts and the Group's inability to attract new customers. Additionally, some of the Group's contracts allow for cancellation by the customer in the event of its insolvency or bankruptcy or a material uncured breach by it. Finally, some of the Group's contracts include force majeure provisions where the Group's customers are relieved, temporarily or sometimes permanently, of contractual obligations. Any such developments could have a material adverse effect on the Group's operating results and financial condition. These risks may be exacerbated by the Group's dependency on a limited number of customers; see Section 2.1.4 (*The Group depends on a limited number of customers*). For a description of the specific risks associated with a default by any of the Group's customers, see Section 2.1.8 (*A default by any of the Group's customers and counterparties could adversely affect its business, financial condition, results of operations and cash flows*).

2.1.6 *The Group sometimes provides packages and other engineered products for multi-year, fixed price contracts that may require it to assume risks associated with cost over-runs, operating cost inflation, labor availability, supplier and contractor pricing and performance and potential claims for liquidated damages*

The Group sometimes provides packages of equipment or complex equipment in the form of multi-year contracts, without price escalation clauses. Some of these contracts are required by the Group's customers, including national oil companies. These projects include acting as suppliers of packages of equipment or engineered products, as well as installation and commissioning services and may require the Group to assume additional risks associated with cost over-runs from the Group's vendors or due to material or labor cost escalation. In addition, national oil companies often possess substantial leverage in the event of dispute or disagreement regarding performance under

an agreement and they often operate in countries with unsettled political conditions, war, civil unrest or other types of community issues. These issues may also result in cost over-runs, delays and project losses.

Providing packages of equipment and engineered products as well as services on an integrated basis may also require the Group to assume additional risks associated with operating cost inflation, labor availability and productivity, supplier pricing and performance and potential claims for liquidated damages. The Group relies on third-party subcontractors, consortium partners and equipment providers to assist it with the completion of these types of contracts. To the extent that the Group cannot engage subcontractors or acquire equipment or materials in a timely manner and on reasonable terms, the Group's ability to complete a project in accordance with stated deadlines or at a profit may be impaired. If the amount the Group is required to pay for these goods and services exceeds the amount it has estimated in bidding for fixed-price work, the Group could experience losses in the performance of these contracts. These delays and additional costs may be substantial, and the Group may be required to compensate its customers for these delays. This may reduce the profit to be realized or result in a loss on a project.

2.1.7 The Group's operations may be materially adversely impacted by deteriorating macroeconomic conditions

Deteriorating economic conditions or sustained uncertainty about global economic conditions could cause the Group's customers and potential customers to postpone or reduce spending on products or services or put downward pressure on prices, which could have an adverse effect on the Group's business, financial condition, results of operations and cash flows (for more information on the risks related to the Group's dependency on a limited number of customers, see Section 2.1.4 (*The Group depends on a limited number of customers*) above). The future impact of these types of events on the Group's business, financial condition, results of operations and cash flows depends largely on developments outside its control.

The outbreak of the COVID-19 pandemic in 2020 had significant global effects on demand for oil and gas and resulted in substantial reductions in demand for the Group's products and services. While oil and gas prices and, therefore, demand for the Group's products and services have largely recovered as the impacts of COVID-19 pandemic have been alleviated, concerns over the prolonged negative effects of the COVID-19 outbreak may persist. Such conditions have resulted in, and could again result in, reductions to the Group's customers' drilling and production expenditures and delays or cancellations of projects, thus decreasing demand for the Group's products and services, and an increased risk that its customers may seek price reductions or more favorable economic terms for the Group's products and services or terminate its contracts.

Beginning in 2014 and to a greater extent following Russia's military action in Ukraine in 2022, the United States, the European Union ("EU") and the United Kingdom, among others, have imposed significant economic sanctions and export control measures on Russia and others supporting Russia's military and political actions in Ukraine, including restrictions on the Russian energy and financial sectors, prohibitions and restrictions relating to Russian origin oil and oil products, and export controls limiting the export of a wide range of goods and technical assistance to Russia. In response, Russia has implemented certain countersanctions. Existing and future economic sanctions, export controls, import controls and other measures, including those that may be enacted by the Trump Administration, as well as the existing and potential further responses from Russia or other countries to such economic sanctions, and further tensions and military actions, could adversely affect the global economy and financial markets and could adversely affect the Group's business, financial condition and results of operations (for more information on the risks related to adverse developments affecting the financial services industry, see Section 2.1.9 (*Adverse developments affecting the financial services industry could affect the Group's current and projected business operations and its financial condition and results of operations*) below).

Additionally, the ongoing conflict in Gaza, the Red Sea and the surrounding region, the Russian invasion of Ukraine and related sanctions have significantly disrupted supply chains for crude oil and natural gas in certain of the markets in which the Group operates. The Russia-Ukraine conflict and other geopolitical tensions, as well as the

related international response, have exacerbated global supply chain disruptions, which have resulted in, and may continue to result in, shortages in materials and services and related uncertainties. Such shortages have resulted in, and may continue to result in, cost increases for labor, fuel, materials and services, and could continue to cause costs to increase and also result in the scarcity of certain materials. Any economic slowdown or recession in Europe or globally, including as a result of such supply chain disruptions or sanctions, may also impact demand and depress the price for crude oil, natural gas or other products, which could have significant adverse consequences on the Group's financial condition and the financial condition of its customers, suppliers and other counterparties, and could diminish the Group's liquidity. Further, the ongoing conflict in Gaza, the Red Sea and the surrounding region could escalate into a broader conflict in the Middle East that could further disrupt energy operations and supply chains globally.

Inflation has been an ongoing concern since 2021 and has continued into 2025. Ongoing inflationary pressures have resulted in, and may continue to result in, additional increases to the costs of goods, services and personnel, which in turn could cause the Group's capital expenditures and operating costs to rise, as well as a scarcity of certain products and raw materials. In 2022, 2023 and 2024, the Group faced, and continues to face, increasing costs of raw materials and personnel (for more information on the risks associated with the Group's dependency on suppliers, see Section 2.1.3 (*The Group depends on suppliers and may become subject to product shortages, long lead times and price increases, which could have a negative impact on its results of operations*) above). To the extent inflation remains elevated, the Group may experience further cost increases for its operations, as well as increased labor costs. High oil and natural gas prices are also inflationary, and governmental or economic responses to high oil and natural gas prices could impact the operations of the Group's customers. Sustained high oil and natural gas prices could also drive over-investment and create the potential for global oversupply, which could cause prices to fall, also impacting investment by the Group's customers.

Any future reduction in worldwide economic growth and economic activity could, if sustained, ultimately lead to a global recession. In a global recession, it is likely that the demand for oil and natural gas would decline and the number of planned offshore energy projects would decrease. Such a scenario would negatively impact the demand for the Group's products and services and, in turn, its financial performance.

2.1.8 A default by any of the Group's customers and counterparties could adversely affect its business, financial condition, results of operations and cash flows

The deterioration in the financial condition of one or more of the Group's significant customers or counterparties could result in their failure to perform under the terms of their agreements with the Group or default in payments owed to it. The Group's customers and counterparties include crude oil and natural gas exploration and production ("E&P") companies, drilling contractors, equipment and raw material suppliers, shipyards and manufacturers of capital equipment whose creditworthiness may be suddenly and disparately impacted by, among other factors, commodity price volatility, deteriorating energy market conditions and public and regulatory opposition to energy producing activities. As a result of the volatility in the commodity market and the depressed prices for oil and natural gas following the emergence of COVID-19, some of the Group's customers have undergone bankruptcy or other reorganization procedures within the past five years. During such bankruptcies, the Group was considered a critical vendor and suffered only minor delays and discounts on payment collections, but the Group may not be considered a critical vendor in the event of any customer bankruptcies in the future.

The concentration of credit risk may be affected by changes in economic or other conditions within the Group's industry and may accordingly affect its overall credit risk. While the Group has credit approval procedures and policies in place, it is unable to completely eliminate the performance and credit risk to the Group associated with doing business with these parties. In a low commodity price environment, certain customers have been or could be negatively impacted, causing them significant economic stress, resulting, in some cases, in a customer bankruptcy filing or an effort to renegotiate the Group's contracts. The deterioration in the creditworthiness of the Group's customers and the resulting increase in nonpayment or nonperformance by them could cause the Group to write

down or write off accounts receivables or tangible and intangible assets. Such write-downs or write-offs could negatively affect the Group's operating results in the periods in which they occur, and, if significant, could have a material adverse effect on the Group's business, financial condition, results of operations and cash flows. To the extent one or more of the Group's key customers commences bankruptcy proceedings, the Group's contracts with the customers may be subject to rejection under applicable provisions of bankruptcy law or, if the Group so agrees, may be renegotiated. Further, during any such bankruptcy proceeding, prior to assumption, rejection or renegotiation of such contracts, the bankruptcy court may temporarily authorize the payment of value for the Group's services less than contractually required, which could have a material adverse effect on the Group's business, financial condition, results of operations and cash flows. The resolution of the Group's outstanding claims against such a customer or counterparty is dependent on the terms of the plan of reorganization but may include the Group's claims being converted to equity in the reorganized entity and in addition to impacting the Group's business, financial condition, results of operations and cash flows could require the Group to incur impairment charges against the associated assets or write down its goodwill.

The abovementioned risks, to the extent they concern the Group's customers, may be exacerbated by the Group's dependency on a limited number of customers; see Section 2.1.4 (*The Group depends on a limited number of customers*). For a more general description of the risks associated with the Group's dependency on suppliers, see Section 2.1.3 (*The Group depends on suppliers and may become subject to product shortages, long lead times and price increases, which could have a negative impact on its results of operations*).

2.1.9 Adverse developments affecting the financial services industry could affect the Group's current and projected business operations and its financial condition and results of operations

The Group's access to funding sources and other credit arrangements in amounts adequate to finance its current and projected future business operations could be significantly impaired by factors that affect the Group, any financial institutions with which the Group enters into credit agreements or arrangements directly, or the financial services industry or economy in general. These factors could include, among others, events such as liquidity constraints or failures affecting financial institutions, the ability of financial institutions to perform obligations under various types of financial, credit or liquidity agreements or arrangements or disruptions or instability in the financial services industry or financial markets.

The results of events or concerns that involve one or more of these factors could include a variety of material adverse effects on the Group's current and projected business operations, financial condition and results of operations. These risks include, but may not be limited to, the following:

- delayed access to deposits or other financial assets or the uninsured loss of deposits or other financial assets;
- inability to enter into credit facilities or other working capital resources;
- potential or actual breach of contractual obligations that require the Group to maintain letters of credit or other credit support arrangements; or
- termination of cash management arrangements or delays in accessing or actual loss of funds subject to cash management arrangements.

In addition, investor concerns regarding international financial systems could result in less favorable commercial financing terms, including higher interest rates or costs and tighter financial and operating covenants, refusal to refinance existing indebtedness upon its maturity or on terms similar to the expiring debt or systemic limitations on access to credit and liquidity sources, thereby making it more difficult for the Group to acquire financing on acceptable terms or at all. Any decline in available funding or access to its cash and liquidity resources could, among other risks, adversely impact the Group's ability to meet its operating expenses or other obligations, financial or otherwise, result in breaches of the Group's financial or contractual obligations or could result in temporary violations of applicable wage and hour laws.

Any of these impacts, or any other impacts resulting from the factors described above or other related or similar factors, could have material adverse effects on the Group's liquidity and its current and projected business operations and financial condition and results of operations. In addition, deterioration in the financial services industry could lead to losses or defaults by its partners, vendors or suppliers, which in turn could have a material adverse effect on the Group's current and projected business operations, results of operations and financial condition (for more information on the risks related to the Group's dependency on suppliers, see Section 2.1.3 (*The Group depends on suppliers and may become subject to product shortages, long lead times and price increases, which could have a negative impact on its results of operations*) above).

2.1.10 *Unionization efforts, labor interruptions and labor regulations could have a material adverse effect on the Group's operations*

Certain of the Group's employees and contractors in international markets, including Germany, Norway and Mexico, are represented by labor unions and work under collective bargaining or similar agreements, which are subject to periodic renegotiation. Although the Group has not experienced any labor disruptions, strikes or other forms of labor unrest in connection with its personnel, there can be no assurance that labor disruptions by employees and contractors will not occur in the future. Further, unionized employees of third parties whom the Group relies on may be involved in labor disruptions, strikes or other forms of labor unrest, causing operational disruptions. Such actions could result in the occurrence of additional costs, as well as limitations on the Group's ability to operate or provide products and services to its customers, which may materially adversely affect the Group's business, financial condition, results of operations and cash flows. In addition, strikes may occur in connection with any salary negotiations with respect to unionized employees or contractors. If future labor strikes force the Group to shut down any of its operations, such interruption in operations could materially adversely affect the Group's business, financial condition, results of operations and cash flows.

2.1.11 *The growth of the Group's business through recent and potential future acquisitions may expose it to various risks, including those relating to difficulties in identifying suitable acquisition opportunities and integrating businesses, assets and personnel, as well as difficulties in obtaining financing for targeted acquisitions and the potential for increased leverage or debt service requirements*

The Group has pursued and intends to continue to pursue selected acquisitions of complementary assets and businesses. The Group is itself the result of the combination of Baker Hughes' Subsea Drilling Systems pressure control business and Akastor ASA's MHWirth drilling equipment business. Additionally, the Group recently acquired (i) Drillform Technical Services Ltd., which holds a portfolio of patents and intellectual property related to equipment used in the handling of drill pipe during drilling operations and has a significant installed base of automated floor wrenches and catwalks, in 2024, and (ii) Electrical Subsea Drilling AS ("**ESD**"), a portfolio of patents and technology with applications in the oil and gas industry, in 2022 (for more information, see Sections 5.2 (*History and brands*) and 5.7 (*Research and development*) below). The success of this strategy is dependent upon its ability to identify appropriate acquisition targets, negotiate transactions on favorable terms, finance transactions, obtain necessary regulatory approvals, complete transactions and successfully integrate them into the Group's existing business. Acquisitions involve numerous risks, including:

- unanticipated costs and exposure to liabilities assumed in connection with the acquired business or assets, including, but not limited to, environmental liabilities and title issues;
- difficulties in integrating the operations and assets of the acquired business and any acquired personnel;
- complexities associated with managing a larger, more complex, integrated business;
- limitations on the Group's ability to properly assess and maintain an effective internal control environment over an acquired business;
- potential losses of key employees, customers and business partners of the acquired business;
- performance shortfalls at one or both of the companies as a result of the diversion of management's attention from their day-to-day responsibilities caused by completing an acquisition and integrating an acquired business into the combined company;
- risks of entering markets in which the Group has limited prior experience; and

- increases in the Group's expenses and working capital requirements.

The process of integrating an acquired business may involve unforeseen costs and delays or other operational, technical and financial difficulties, and may require a significant or disproportionate amount of time and managerial and financial resources. The Group may experience difficulties in integrating recent and future acquired business's operations into its business and in realizing expected benefits and synergies from such acquisitions. If the Group is unable to successfully integrate the operations of future acquired businesses with its business, the Group may be unable to achieve consolidation savings and may incur unanticipated costs and liabilities.

The Group's failure to incorporate acquired businesses and assets into its existing operations successfully or to minimize any unforeseen operational difficulties could have a material adverse effect on the Group's business, liquidity position, financial condition, prospects and results of operations. Furthermore, competition for acquisitions may increase the cost of, or cause the Group to refrain from, completing acquisitions.

In addition, the Group may not have sufficient capital resources to complete any additional acquisitions. Historically, the Group has financed its acquisitions with a combination of cash generated from operations, borrowings, performance-based deferred payments and debt issuances. Subject to the terms of its indebtedness, the Group may incur substantial indebtedness to finance future acquisitions, may issue equity, debt or convertible securities in connection with such acquisitions and may incur performance-based deferred payments. Debt service requirements could represent a significant burden on the Group's results of operations and financial condition, and the issuance of additional equity or convertible securities could be dilutive to the Group's existing shareholders.

Furthermore, the Group may not be able to obtain additional financing as needed or on satisfactory terms.

The Group's ability to grow through acquisitions and manage growth will require it to continue to invest in operational, financial and management information systems and to attract, retain, motivate and effectively manage its employees. The inability to effectively manage the integration of acquisitions could reduce the Group's focus on current operations, which, in turn, could negatively impact its earnings and growth. The Group's financial position and results of operations may fluctuate significantly from period to period, based on whether or not significant acquisitions are completed in particular periods.

2.1.12 The Group is subject to risks relating to existing international operations and expansion into new geographical markets

The Group has a global footprint (see Section 5.3 (*Global footprint and large installed base*) below) and continues to focus on expanding sales globally as part of its overall growth strategy (for more information about the Group's strategy, see Section 5.6 (*Strategy*) below). The global nature of the Group's existing international operations and global expansion strategy are subject to general risks related to such operations, including:

- political, social and economic instability and disruptions;
- social unrest, acts of terrorism, war and other armed conflict;
- nationalization and expropriation;
- public health crises and other catastrophic events, such as the COVID-19 pandemic;
- export controls, economic sanctions, embargoes, import controls, duties and tariffs and other trade restrictions;
- the imposition of duties and tariffs and other trade barriers;
- limitations on ownership and on repatriation or dividend of earnings;
- transportation delays and interruptions;
- labor unrest and current and changing regulatory environments;
- increased compliance costs, including costs associated with disclosure requirements and related due diligence;
- difficulties in staffing and managing multinational operations;

- limitations on the Group's ability to enforce legal rights and remedies;
- access to or control of networks and confidential information due to local government controls and vulnerability of local networks to cybersecurity risks;
- inflation;
- changes in tax laws; and
- fluctuations in foreign currency exchange rates.

If the Group is unable to successfully manage the risks associated with expanding its global business or adequately manage operational risks of its existing international operations, these risks could have a material adverse effect on the Group's growth strategy into new geographical markets, its reputation and its business, financial condition, results of operations and cash flows.

2.1.13 The Group must comply with export and import controls, economic sanctions and embargoes and other international trade laws and regulations, and any failure to comply with such laws and regulations could subject it to liability and have a material adverse impact on its business, financial condition and results of operations

The Group conducts business globally, and its business activities and services must be conducted in compliance with applicable import and export control laws and regulations, as well as economic sanctions and other international trade laws of the United States, the EU, the United Kingdom, Norway and other countries. The export and import controls, economic sanctions, embargoes and other international trade laws include the U.S. Commerce Department's Export Administration Regulations, the United Kingdom ("U.K.") Strategic Export Control List, the Norwegian Export Control Act, the Norwegian Export Control Regulation, economic sanctions regulations administered by the U.S. Department of the Treasury's Office of Foreign Assets Control, the U.S. Department of State, the United Nations ("U.N.") Security Council, the European Commission, competent authorities of EU Member States, the U.K.'s Office of Financial Sanctions Implementation and the Norwegian Ministry of Foreign Affairs and their equivalents in other countries where the Group operates. Although the Group has instituted and implemented policies and procedures reasonably designed to promote compliance with such laws and regulations, the Group's global operations expose it to the risk of violating, or being accused of violating, import and export controls, economic sanctions, embargoes and other international laws and regulations. Violation of import or export control laws and regulations or economic sanctions, embargoes or other international trade laws could result in negative consequences to the Group, including government investigations, sanctions, criminal or civil fines or penalties, more onerous compliance requirements, loss of authorizations or licenses needed to conduct aspects of the Group's business, default under debt, reputational harm and other adverse consequences.

Moreover, if any of the Group's counterparties or jurisdictions where the Group does business becomes the target of economic sanctions, the Group may face an array of issues, including, but not limited to, having to abandon the related project, being unable to recoup prior invested time and capital or being subject to lawsuits, investigations or regulatory proceedings that could be time consuming and expensive to respond to, and which could lead to criminal or civil fines or penalties. For example, in compliance with applicable trade restrictions relating to Russia, the Group withdrew all operations in and sales into Russia and no longer support its equipment installed in Russia, and there are various other regions where the Group refrains from making sales of its products and services. Furthermore, the laws and regulations concerning import activity, export recordkeeping and reporting, export control and economic sanctions are complex and constantly changing. These laws and regulations can cause delays in shipments, unscheduled operational downtime and material impacts to the Group's business operations. Any violation by its employees or representatives for which the Group may be held responsible could materially adversely affect the Group's reputation, business, financial condition and results of operations.

2.1.14 The results of the Group's operations are subject to market risk from changes in foreign currency exchange rates

The Group's non-U.S. operations generate significant revenues and earnings, and the Group pays expenses, purchases assets, sources raw materials and incurs liabilities in countries using currencies other than the U.S. dollar, including, but not limited to, the Euro, the British pound sterling and the Norwegian krone. During 2024, 63.9% of the Group's revenue was derived from sales outside the United States. Because its financial statements are presented in U.S. dollars, the Group must translate revenues and expenses into U.S. dollars at exchange rates in effect during or at the end of each reporting period. Thus, increases or decreases in the value of the U.S. dollar against other currencies in which the Group's operations are conducted will affect its revenue and operating income. Because of the geographic diversity of the Group's operations, weaknesses in some currencies might be offset by strengths in others over time. Additionally, fluctuations in foreign currency exchange rates may affect product demand and may adversely affect the profitability in U.S. dollars of the products the Group provides in international markets where payment for its products is made in the local currency. The Group uses derivative financial instruments to mitigate its net exposure to currency exchange fluctuations. The Group had forward contracts with notional amounts in varying currencies (forward contracts (sales) with national amounts of USD 97.7 million (vs. NOK), EUR 10.1 million (vs. NOK), GBP 6 million (vs. NOK) and EUR 40.5 million (vs. USD) and forward contracts (purchases) with national amounts of EUR 4.2 million (vs. NOK), GBP 2.6 million (vs. NOK) and EUR 2.3 million (vs. USD), with a fair value of a net liability of USD 2.9 million, as of 31 December 2024 to reduce the impact of foreign currency exchange rate movements. The Group is also subject to risks that the counterparties to these contracts fail to meet the terms of the Group's foreign currency contracts. The Group cannot assure you that fluctuations in foreign currency exchange rates would not affect the Group's financial results.

2.1.15 Policy changes affecting international trade could adversely impact the demand for the Group's products and its competitive position

Changes in government policies on foreign trade and investment can affect the demand for the Group's products and services, impact the competitive position of its products and services or prevent it from being able to sell products and services in certain countries. The Group's business benefits from free trade agreements, and efforts to withdraw from or substantially modify such agreements, in addition to the implementation of more restrictive trade policies, such as more detailed inspections, higher tariffs, import or export licensing requirements, economic sanctions, anti-boycott laws, exchange controls or new barriers to entry, could have a material adverse effect on the Group's business, financial condition, results of operations and cash flows. For example, the Group is experiencing increased tariffs on certain of its products and product components from China. In addition, the Trump Administration has announced tariffs on certain imports from Canada, Mexico and the EU, among others, that could affect the demand for the Group's products. Such tariffs and any retaliatory tariffs (including those announced by China, Canada and Mexico in March 2025) may put upwards pressure on prices in other jurisdictions from which the Group purchases product components, which could reduce its ability to offer competitive pricing to potential customers. Given the uncertainty regarding the extent and duration of such tariffs, it is difficult to fully and accurately estimate the potential impacts thereof to the Group's operations. The Group's preliminary estimates suggest that, without any mitigation efforts, if such tariffs (as in effect at 30 April 2025) had been in place throughout the financial year ended 31 December 2024, the first order impact thereof would have been a 3-6% decrease in the Group's Adjusted EBITDA in 2024.

The Group cannot predict what changes to trade policy will be made by the Trump Administration, the U.S. Congress or other governments, including whether existing tariff policies will be maintained or modified or whether the entry into new bilateral or multilateral trade agreements will occur, nor can the Group predict the effects that any such changes would have on the Group's business or the global economy. Changes in U.S. trade policy, or threat of such changes, have resulted and could again result in reactions from U.S. trading partners, including adopting responsive trade policies making it more difficult or costly for the Group to export its products or import products or product components from countries where the Group currently sells products or services or purchases products or

product components (for more information on the risks related to the Group's dependency on suppliers, see Section 2.1.3 (*The Group depends on suppliers and may become subject to product shortages, long lead times and price increases, which could have a negative impact on its results of operations*) above). Such changes, or threatened changes, to trade policy or in laws and policies governing foreign trade, and any resulting negative sentiments towards the United States as a result of such changes, could materially and adversely affect its business, financial condition and results of operations.

2.1.16 *Equipment failures or production curtailments or shutdowns at the Group's manufacturing and production facilities could adversely affect its manufacturing capability*

The Group's manufacturing capacity is subject to equipment failures and the risk of catastrophic loss due to unanticipated events, such as fires, explosions and adverse weather conditions (see Section 2.1.19 (*The Group's operations and its customers' operations are subject to unforeseen interruptions and hazards inherent in the oil and natural gas industry which could cause the Group to lose customers and substantial revenue*) below). The Group's manufacturing processes depend on critical pieces of equipment. Such equipment may, on occasion, be out of service as a result of unanticipated failures, which could require the Group to close part or all of the relevant manufacturing and production facility or cause it to reduce production on one or more of its product lines. Any interruption in manufacturing capability may require the Group to make significant and unanticipated capital expenditures to effect repairs, which could have a negative effect on its profitability and cash flows. The Group carries business interruption insurance; however, recoveries under insurance coverage that it currently maintains or may obtain in the future may not be sufficient to completely offset the lost revenues or increased costs resulting from a disruption of its operations (see Section 2.1.20 (*The Group may not have adequate insurance for potential environmental, product or personal injury liabilities*) below). A sustained disruption to the Group's business could also result in delays to or cancellations of customer orders and contractual penalties, each of which may also negatively impact its reputation among its customers. Any or all of these occurrences could have a material adverse effect on the Group's business, financial condition, results of operations and cash flows.

2.1.17 *The loss of senior management or technical personnel could materially adversely affect the Group's operations*

The Group depends on the services of its senior management and technical personnel. In particular, the Group depends on its current senior management for the implementation of its strategy and the supervision of its day-to-day activities. The Group does not maintain, nor does it plan to obtain, any insurance against the loss of any of these individuals. The Group has employment agreements with its senior executives that contain restrictions on competition with the Group in the event they cease to be employed by it. However, as a practical matter, such employment agreements may not assure the retention of its key employees and may not be enforceable. The loss of the services of the Group's senior management or technical personnel, or an inability to attract and retain additional senior management or technical personnel, could have a material adverse effect on the Group's business, financial condition and results of operations.

Many of the Group's products are mechanically complex and often must perform in extremely challenging conditions. The design and delivery of the Group's products and the performance of its services require skilled and qualified technical personnel with specialized skills and experience, and the Group's ability to be productive and profitable will depend upon its ability to employ and retain skilled workers. The demand for skilled workers is high, and the supply is limited. As a result, competition for experienced personnel is intense, and the Group faces significant challenges in competing for employees and management with large and well-established competitors. There is a greater shortage of skilled workers in some regions where the Group operates, such as Brazil. A significant increase in the wages paid by competing employers could result in a reduction of the Group's skilled labor force, increases in the wage rates that it must pay or both. If either of these events were to occur, the Group's cost structure could increase, and its operations and growth potential could be impaired. Employee turnover may

also lead to lost productivity and decrease employee engagement, which could adversely impact the Group's business.

2.1.18 The Group may be subject to liabilities, warranty claims, personal injury, property damage, and environmental damage should its equipment fail to perform to specifications.

Some of the Group's equipment is designed to operate in high-temperature or high-pressure environments, and in various locations around the world. Failure of the Group's equipment could cause damage including personal injury, equipment, property-or environmental damage, which may lead to claims against the Group.

The Group provides warranties as to the proper operation and conformance to specifications of the products it manufactures or installs. Failure of its products to operate properly or to meet specifications may increase costs by requiring additional engineering resources and services, replacement of parts and equipment or monetary reimbursement to a customer. The Group has in the past received warranty claims, and it expects to continue to receive them in the future. Such claims may have a material adverse effect on the Group's reputation, prospects and results of operations.

2.1.19 The Group's operations and its customers' operations are subject to unforeseen interruptions and hazards inherent in the oil and natural gas industry which could cause the Group to lose customers and substantial revenue

The Group's operations and its customers' operations are exposed to the risks inherent to the Group's industry, such as equipment defects, vehicle accidents, fires, explosions, blowouts, surface cratering, uncontrollable flows of gas or well fluids, pipe or pipeline failures, abnormally pressured formations and various environmental hazards, such as oil spills and releases of, and exposure to, hazardous substances. In addition, the Group's operations and its customers' operations are exposed to potential natural disasters, including blizzards, tornadoes, wildfires, storms, floods, other adverse weather conditions and earthquakes (for specific risks related to the Group's facilities and their susceptibility to damage by tropical storms, see Section 2.1.22 (*Certain of the Group's facilities are located in close proximity to the Gulf of Mexico and, as a result, are susceptible to damage by hurricanes and other tropical storms*) below). The occurrence of any of these events could result in substantial losses to the Group or its customers due to injury or loss of life, severe damage to or destruction of property, natural resources and equipment, pollution or other environmental damage, clean-up responsibilities, regulatory investigations and penalties or other damage resulting in curtailment or suspension of the Group's operations or its customers' operations (for a description of the specific risks related to equipment failures, production curtailments or shutdowns at the Group's manufacturing or production facilities, see Section 2.1.16 (*Equipment failures or production curtailments or shutdowns at the Group's manufacturing and production facilities could adversely affect its manufacturing capability*) above). The cost of managing such risks may be significant. The frequency and severity of such incidents may affect operating costs, insurability and relationships with customers, employees and regulators. The Group's existing and potential future customers may elect not to purchase the Group's products and services if they view the Group's environmental or safety record as unacceptable, which could cause the Groups to lose customers and substantial revenues. The abovementioned risks may be exacerbated if the Group does not have adequate insurance to cover all losses or liabilities it may suffer; see Section 2.1.20 (*The Group may not have adequate insurance for potential environmental, product or personal injury liabilities*).

2.1.20 The Group may not have adequate insurance for potential environmental, product or personal injury liabilities

The Group maintains a portfolio of insurance policies to protect its core businesses against loss of property, business interruption, injury to personnel and liability to third parties for such losses as per industry standards, which is subject to coverage limits. Certain types of losses are generally not insured by the Group because they are either uninsurable or not economically insurable, such as losses caused as a result of inability to deliver on time or at the

right quality, or losses occasioned by willful misconduct, criminal acts, fines and penalties and various perils associated with war and terrorism. In addition, certain policies do not provide coverage for damages resulting from environmental contamination or may exclude coverage for other reasons. The Group faces the following risks with respect to its insurance coverage:

- the Group may not be able to maintain or obtain insurance of the type and amount it desires on commercially reasonable terms;
- market conditions may cause premiums and deductibles for certain of its insurance policies to increase;
- the Group may be faced with types of liabilities that will not be covered by its insurance;
- its insurance carriers may not be able to meet their obligations under the policies; or
- the dollar amount of any liabilities may exceed its policy limits or sub-limits.

An uninsured loss, a loss that exceeds the limits of its insurance policies or a succession of such losses could have a material adverse effect on the Group's business, operations and financial condition. Even a partially uninsured claim, if successful and of significant size, could have a material adverse effect on the Group's consolidated financial statements. In addition, the Group may not be able to secure additional insurance or bonding that might be required by new governmental regulations. This may cause the Group to restrict its operations, which might severely impact its financial position.

2.1.21 The Group's limited combined historical financial statements may not be indicative of future performance

The Issuer was formed in October 2021, through the combination of Baker Hughes's Subsea Drilling Systems pressure control business and Akastor ASA's MHWirth drilling equipment business and has a limited combined operating history. Additionally, due to the demand for the Group's products and services depending, in large part, on the highly fluctuating and cyclical demand for, and production of, oil and natural gas, comparisons of the Group's current and future operating results with prior periods are difficult. As a result, the Group's limited combined historical financial performance may make it difficult to evaluate the Group's business and results of operations to date and to assess its future prospects and viability. As a public company, the Issuer's cost structure will include both additional recurring costs and non-recurring costs that the Issuer will incur during its transition to being a public company. Accordingly, the Issuer's historical consolidated financial information may not be reflective of its financial position, results of operations, cash flows or costs had it been a public company during the periods presented, and the historical financial information may not be a reliable indicator of what its financial position, results of operations or cash flows will be in the future.

2.1.22 Certain of the Group's facilities are located in close proximity to the Gulf of Mexico and, as a result, are susceptible to damage by hurricanes and other tropical storms

Hurricanes and other tropical storms and the threat thereof could result in the shutdown of operations in coastal regions, including the Gulf of Mexico, as well as operations within the path and the projected path of the hurricanes or tropical storms (for a description of the general risks related to unforeseen interruptions and hazards inherent in the oil and natural gas industry, including storms, see Section 2.1.19 (*The Group's operations and its customers' operations are subject to unforeseen interruptions and hazards inherent in the oil and natural gas industry which could cause the Group to lose customers and substantial revenue*) above). A number of the Group's facilities are located within close proximity of the coast of the Gulf of Mexico, such as two facilities in Houston, Texas, USA, one facility in Mobile, Alabama, USA and one facility in Veracruz, Mexico. The Group's results of operations could be negatively impacted in the event of a hurricane or other tropical storm in the Gulf of Mexico that strikes the coastline near its facilities.

2.2 Risks related to environmental and regulatory matters

2.2.1 *Environmental liabilities could adversely affect the Group's customers' business, financial condition and results of operations, which in turn could have a negative impact on demand for the Group's products and services*

The Group's primary end market is the upstream oil and gas industry, both offshore and onshore, which is subject to environmental hazards, such as oil spills, gas leaks, ruptures, fires and discharges of petroleum products and hazardous and other substances and historical disposal activities.

These environmental hazards could expose the Group's customers to material liabilities, such as for property damages, personal injuries, criminal fines and penalties or environmental remediation measures, including costs of investigating and remediating contaminated properties. A variety of stringent laws and regulations govern the environmental aspects of the Group's customers' businesses and impose strict requirements for, among other things:

- well drilling or workover, operation and abandonment;
- handling, transporting and disposing of a variety of fluids and substances, including hydraulic fracturing fluids, such as produced water;
- accidental spills or releases of oil or other hazardous substances, and the remediation thereof;
- protection of natural resources, air, water, wetlands, soil, protected species and protected areas;
- seismic activity;
- chemical use and storage;
- financial assurance; and
- controlling air emissions, preventing water contamination and unauthorized waste discharges.

The Group's products and services primarily serve customers that support or are engaged directly in the exploration and production of oil and gas, and the Group depends on a limited number of customers (see Section 2.1.4 (*The Group depends on a limited number of customers*)). As a result, the demand for the Group's products and services is tied to the level of drilling and the spending of exploration and production operators associated with supplying hydrocarbons. Any material liabilities arising from the abovementioned risks to the upstream oil and gas industry generally, and to the Group's customers specifically, could negatively impact the business, operations and cash flows of the Group's customers. Any such result could negatively impact demand for the Group's products and services and have a material adverse effect on the Group's business, financial condition, results of operations and cash flows.

2.2.2 *The Group's business and its customers' businesses are subject to complex laws and regulations that can adversely affect the cost, manner or feasibility of doing business*

The Group's operations are subject to extensive international conventions and treaties, as well as laws and regulations, including complex environmental laws, occupational health and safety laws and moratoriums on drilling. The Group may incur substantial costs in order to maintain compliance with these existing laws and regulations. Failure to comply with these laws and regulations may also result in the suspension or termination of the Group's operations and subject it to administrative, civil and criminal penalties. For a description of the risks specifically related to anti-corruption and sanctions-related laws and regulations, see Section 2.3.4 (*The Group is subject to various anti-corruption laws and regulations and laws and regulations relating to economic sanctions. Violations of these laws and regulations could have a material adverse effect on the Group's business, financial condition and results of operations*). Future laws or regulations, any adverse changes in the interpretation of existing laws and regulations, inability to obtain necessary regulatory approvals or a failure to comply with existing legal requirements may harm the Group's business, financial condition, results of operations and cash flows.

The Group or its customers may incur significant delays, costs and liabilities as a result of environmental and occupational health and safety laws and regulations. These delays, costs and liabilities could arise under a wide range of laws and regulations relating to the generation, transportation and disposal of hazardous substances, waste disposal, air emissions, water discharges, remediation, restoration and reclamation of environmental contamination, including oil spill cleanup and well plugging and abandonment requirements, protection of endangered and other protected species and related matters. The Group is also subject to extensive regulation of worker health and safety. Failure to comply with these laws and regulations may result in the assessment of administrative, civil and criminal penalties, denial, modification or revocation of permits or other authorizations, imposition of cleanup and site restoration costs and liens and, in some instances, issuance of orders or injunctions limiting or requiring discontinuation of certain operations.

In January 2023, the EU enacted the Corporate Sustainability Reporting Directive ("**CSRD**"), which considerably expanded the scope of mandatory sustainability reporting to which certain EU companies are subject. The Group has begun implementing policies and procedures to comply with these expansive new requirements beginning in 2025 for financial periods beginning on or after 1 January 2024. On 25 July 2024, the EU Corporate Sustainability Due Diligence Directive ("**CSDDD**") entered into force. The CSDDD requires the use of risk-based due diligence to mitigate "adverse environmental and human rights impacts" in an in-scope company's "chain of activities," including certain activities of its business partners. The CSDDD also mandates the adoption of climate transition plans. The provisions of the CSDDD are currently expected to take effect on 26 July 2028. France and Germany have also adopted laws requiring large companies to carry out human rights and environmental due diligence, while similar laws have been proposed in other EU Member States, such as Belgium, the Netherlands and Austria. Further, the Norwegian Transparency Act ("**NTA**"), which took effect on 1 July 2022, requires mapping actual and potential risks of adverse impacts on decent working conditions and human rights.

The Group cannot predict the costs of implementation or any potential adverse impacts resulting from the rulemaking. The Group could incur increased costs relating to the assessment and disclosure of climate-related risks, and the Group cannot predict how any information disclosed under the rules may be used by financial institutions or investors. The Group may face increased litigation risks, or limits or restrictions on its access to capital, related to disclosures made pursuant to the rule if finalized as proposed. Because the Group's business depends on the level of activity in the offshore oil and gas industry, existing or future laws and regulations related to greenhouse gasses ("**GHG**") and climate change, including incentives to conserve energy or use alternative energy sources, could have a negative impact on its business if such laws and regulations reduce the worldwide demand for oil and gas or limit drilling opportunities for its customers, which in turn reduces demand for its products and services. For a description of these and other risks as they relate specifically to evolving climate change regulation and the EU taxonomy system, see Sections 2.2.3 (*The Group's business may be subject to risks related to climate change, including physical risks such as increased adverse weather patterns and transition risks such as evolving climate change regulation, alternative fuel measures and mandates, shifting consumer preferences, technological advances and negative shifts in market perception towards the oil and natural gas industry and associated businesses, any of which could result in increased operating expenses and capital costs or decreased resources and adversely affect its financial results*) and 2.2.6 (*The EU taxonomy system that classifies environmentally sustainable activity could have a material impact on how the Groups conducts business*).

2.2.3 *The Group's business may be subject to risks related to climate change, including physical risks such as increased adverse weather patterns and transition risks such as evolving climate change regulation, alternative fuel measures and mandates, shifting consumer preferences, technological advances and negative shifts in market perception towards the oil and natural gas industry and associated businesses, any of which could result in increased operating expenses and capital costs or decreased resources and adversely affect its financial results*

Climate change continues to attract considerable attention from regulators, legislators, companies in a variety of industries, financial market participants and other stakeholders. This focus, together with government grants,

incentives and subsidies focused on alternative energy development and changes in consumer and industrial/commercial behavior, preferences and attitudes with respect to the generation and consumption of energy, petroleum products and the use of products manufactured with, or powered by, petroleum products, may in the long term result in (i) the enactment of additional climate change-related regulations, policies and initiatives (at the government, regulator, corporate and investor community levels), including alternative energy requirements, new fuel consumption standards, energy conservation and emissions reductions measures and responsible energy development, (ii) technological advances with respect to the generation, transmission, storage and consumption of energy (e.g., wind, solar and hydrogen power, smart grid technology and battery technology, and increasing efficiency) and (iii) increased availability of, and increased consumer and industrial/commercial demand for, alternative energy sources and products manufactured with, or powered by, alternative energy sources (e.g., electric vehicles and renewable residential and commercial power supplies).

Climate change legislation and regulatory initiatives may arise from a variety of sources, including international, national, regional and state levels of government and associated administrative bodies, seeking to monitor, restrict or regulate existing emissions of GHGs, such as carbon dioxide and methane, as well as to restrict or eliminate future emissions. Restrictions on GHG emissions that may be imposed, or the adoption and implementation of regulations that require reporting of GHG emissions or other climate-related information or otherwise seek to limit GHG emissions (including carbon pricing schemes) from the Group or its customers, could adversely affect its business and the oil and gas industry.

Any legislation or regulatory programs related to climate change could increase the Group's costs and require substantial capital, compliance, operating and maintenance costs, reduce demand for petroleum and related marine transportation services, reduce the Group's access to financial markets and create greater potential for governmental investigations or litigation. Such regulatory initiatives could also stimulate demand for alternative forms of energy that do not rely on petroleum products and indirectly reduce demand for the Group's products and services.

Litigation risks are also increasing as a number of entities have sought to bring suit against various oil and natural gas companies in various fora, alleging, among other things, that such companies created public nuisances by producing fuels that contributed to climate change or alleging that the companies have been aware of the adverse effects of climate change for some time but defrauded their investors or customers by failing to adequately disclose those impacts. Such litigation against the Group or its customers could reduce the demand for the Group's products and services, which could have a material adverse effect on its business, financial condition and results of operations.

In addition, failure or a perception (whether or not valid) of failure to implement environmental, social and governance ("**ESG**") strategies or achieve ESG goals or commitments, including any GHG reduction goals or commitments, could result in governmental investigations or enforcement, private litigation and damage the Group's reputation, cause its investors or consumers to lose confidence in the Group and negatively impact its operations. While the Group may create and publish disclosures regarding ESG matters, it is possible that the statements in those disclosures may be considered or found to be based on hypothetical expectations and assumptions that may or may not be representative of current or actual risks or events or forecasts of expected risks or events, including the costs associated therewith. Such expectations and assumptions are necessarily uncertain and may be prone to error or subject to misinterpretation given the long timelines involved and the lack of an established single approach to identifying and measuring many ESG matters. Such disclosures may also be partially reliant on third-party information that the Group has not verified or cannot independently verify.

There are also increasing financial risks for fossil fuel producers as stockholders currently invested in fossil fuel energy companies may elect in the future to shift some or all of their investments into non-fossil fuel related sectors. Organizations that provide information to investors on corporate governance and related matters have developed

ratings processes for evaluating companies on their approach to ESG matters. Such ratings are used by some investors to inform their investment and voting decisions. Unfavorable ESG ratings and recent activism directed at shifting funding away from companies with fossil fuel-related assets could lead to increased negative investor sentiment toward the Group, its customers and its respective industries and to the diversion of investment to other industries, which could have a negative impact on the price of its Bonds and the Group or its customers' access to and cost of capital. In addition, institutional lenders may decide not to provide funding for fossil fuel energy companies or their suppliers based on climate change-related concerns, which could affect the Group or its customers' access to capital for potential growth projects. Limitation of investments in and financing for fossil fuel energy companies could result in the restriction, delay or cancellation of drilling programs or development or production activities, which could reduce the demand for the Group's products and services and have a material adverse effect on the Group's business, financial condition and results of operations.

Moreover, to the extent ESG matters negatively impact the Group or the fossil fuel industry's reputation, the Group may not be able to compete as effectively to recruit or retain employees, which may adversely affect its operations (see Section 2.1.17 (*The loss of senior management or technical personnel could materially adversely affect the Group's operations*) above).

Fuel conservation measures, alternative fuel requirements, increasing consumer demand for alternatives to oil and natural gas, technological advances in fuel economy and energy generation devices, and the increased competitiveness of and technological advances with respect to alternative energy sources (such as electric vehicles, wind, solar, geothermal, tidal, fuel cells and biofuels), could reduce demand for oil and natural gas, resulting in reduced demand for oilfield services. The impact of the changing demand for oil and natural gas services and products may have a material adverse effect on the Group's business, financial condition, results of operations and cash flows.

Each of the abovementioned risks may be accelerated or exacerbated by increased activism against oil and natural gas exploration and development activities; see Section 2.2.5 (*The Group faces various risks associated with increased activism against oil and natural gas exploration and development activities*).

Finally, many scientists have concluded that increasing concentrations of GHG in the atmosphere may have significant physical climate effects, such as increased frequency and severity of storms, droughts, wildfires, floods and other climate events that could have an adverse effect on the Group's and its customers' operations. For a description of the risks that storms pose to the Group's operations, see Sections 2.1.19 (*The Group's operations and its customers' operations are subject to unforeseen interruptions and hazards inherent in the oil and natural gas industry which could cause the Group to lose customers and substantial revenue*) and 2.1.22 (*Certain of the Group's facilities are located in close proximity to the Gulf of Mexico and, as a result, are susceptible to damage by hurricanes and other tropical storms*).

2.2.4 *Imposition of laws, executive actions or regulatory initiatives to restrict, delay or cancel leasing, permitting or drilling activities in deepwaters may reduce demand for the Group's services and products and have a material adverse effect on its business, financial condition or results of operations*

The Group provides products and services for oil and natural gas E&P customers operating offshore in the deepwaters of the United States and in other countries. In the United States, President Biden issued an executive order in January 2021 that commits to substantial action on climate change, calling for, among other things, the elimination of subsidies provided to the fossil fuel industry and an increased emphasis on climate-related risks across government agencies and economic sectors. In September 2023, the Biden Administration announced that federal agencies will be directed to consider the social cost of GHGs in agency budgeting, procurement and other agency decisions, including in environmental reviews conducted pursuant to the National Environmental Policy Act, where appropriate. Additionally, regulatory agencies at the federal, state or local level may issue new or amended laws or rulemakings regarding deepwater leasing, permitting or drilling, including moratoriums on drilling, which

could result in more stringent or costly restrictions, delays or cancellations in offshore oil and natural gas E&P activities. Additionally, decisions regarding federal offshore leasing have been subject to legal challenges that could delay or suspend offshore lease auctions, adversely affecting the Group's customers' businesses and reducing demand for the Group's services. In September 2023, the Biden Administration announced a new five-year offshore leasing plan for the U.S. Gulf of Mexico, which the Trump Administration sought to reverse via executive order in January 2025. The Biden Administration's plan, if and to the extent retained under the Trump Administration, calls for a maximum of three offshore lease sales, in 2025, 2027 and 2029, and no lease sales will be held in 2024. The five-year lease plan would represent the smallest number of planned sales in the history of the offshore leasing program. On 6 January 2024, President Biden issued a Memorandum of Withdrawal pursuant to the Outer Continental Shelf Lands Act of the entire U.S. East Coast, the eastern Gulf of Mexico, the Pacific off the coasts of Washington, Oregon and California, and additional portions of the Northern Bering Sea in Alaska from oil and gas leasing, which the Trump Administration sought to reverse by executive order in January 2025. On January 26, 2024, the Biden Administration implemented a temporary pause on the U.S. Department of Energy's ("DOE") review of pending decisions for authorization to export liquified natural gas ("LNG") to non-Free Trade Agreement countries while the DOE reviews and updates the underlying analyses for such decisions using more current data to account for considerations like the environmental and climate change impacts of LNG. The temporary pause was then overturned by the U.S. District Court for the Western District of Louisiana in July 2024, and the Trump Administration restarted the review of new LNG export terminals via executive order in January 2025. On 12 April 2024, the U.S. Department of the Interior ("DOI") published a final rule to revise the Bureau of Land Management's oil and gas leasing regulations, which revises fiscal terms of the onshore federal oil and gas leasing program, including for bonding requirements, royalty rates and minimum bids. It is not possible to predict the impact of the Trump Administration on these climate and energy initiatives at this time. While the Trump Administration may seek to reverse some or all of these initiatives, it is unknown whether such reversals will ultimately be successful.

Any new legislation, executive actions or regulatory initiatives, whether in the United States or in other countries, that impose increased costs or more stringent operational standards or result in significant delays, cancellations or disruptions in the Group's customers' operations could increase the risk of losing leasing or permitting opportunities, result in expired leases due to the time required to develop new technology or increased supplemental bonding costs or cause the Group's customers to incur penalties, fines or shut-in production at one or more of their facilities, any or all of which could reduce demand for the Group's services. The Group cannot predict with any certainty the full impact of any new laws, regulations, executive actions or regulatory initiatives on its customers' drilling operations or the opportunity to pursue such operations, or on the cost or availability of insurance to cover the risks associated with such operations. The matters described above, individually or in the aggregate, could have a material adverse effect on the Group's business, financial condition, results of operations and cash flows.

The abovementioned risks may be exacerbated by the Group's dependency on a limited number of customers, see Section 2.1.4 (*The Group depends on a limited number of customers*).

2.2.5 *The Group faces various risks associated with increased activism against oil and natural gas exploration and development activities*

Opposition toward oil and natural gas drilling and development activity, and to companies associated therewith, has been growing globally. Companies in or associated with the oil and natural gas industry are often the target of activist efforts from both individuals and non-governmental organizations regarding safety, human rights, environmental matters, sustainability and business practices. Anti-development activists are working to, among other things, delay or cancel certain operations such as offshore drilling and development.

Environmental and other advocacy groups may oppose the Group or its customers' operations through organized protests, attempt to block or sabotage the Group's customers' operations, intervene in regulatory or administrative proceedings involving the Group's customers' assets or file lawsuits or other actions designed to prevent, disrupt or delay the development or operation of the Group and its customers' assets. These actions may increase the Group's

costs and reduce its customers' production levels over time, which, as a result, may reduce demand for the Group's products and services.

Moreover, governmental authorities exercise considerable discretion in the timing and scope of permit issuance and the public may engage in the permitting process, including through intervention in the courts. Negative public perception could cause the permits that the Group's customers require to conduct operations to be withheld, delayed or burdened by requirements that restrict the Group or its customers' ability to profitably conduct business. Ultimately, this could make it more difficult to secure funding for the Group's operations.

Future activist efforts could accelerate, exacerbate and result in the following:

- decreased oil and gas drilling and exploration, in particular in the offshore industry;
- increased focus of investors, customers and other stakeholders on sustainability and the energy transition;
- decreased ability for the Group and its customers to access the capital markets, including the ability to raise equity capital and debt financing;
- reputational harm, if the Group does not adequately identify or manage ESG-related risks or if there are negative perceptions of the Group's response to ESG issues;
- restrictions on the use of certain operating practices;
- legal challenges or lawsuits against the Group or its customers;
- damaging publicity about the Group;
- increased regulation;
- increased costs of doing business as a result of the Group's efforts to address ESG issues important to its stakeholders, including providing expanded reporting on ESG issues;
- limitations on the Group's ability to refinance its debt; and
- reduction in demand for the Group's products and services.

2.2.6 *The EU taxonomy system that classifies environmentally sustainable activity could have a material impact on how the Groups conducts business*

The EU taxonomy system is a classification system that sets out a list of environmentally sustainable economic activities. It forms part of the EU's plan to scale up sustainable investment and implement the European Green Deal. The EU Taxonomy Regulation (Regulation 2020/852) (the "**EU Taxonomy**") entered into force on 12 July 2020. Since then, the EU has implemented Delegated Acts to further expand on the EU Taxonomy framework. The Climate Delegated Act, the Complementary Climate Delegated Act and the Environmental Delegated Act (each, as amended) set out a list of 'taxonomy-eligible economic activities' along with technical screening criteria for when the activities can be considered sustainable. The Group continues to monitor and invest in EU Taxonomy-aligned activities.

The EU Taxonomy could have an impact on the Group as it sets out criteria for what is considered an environmentally sustainable economic activity, and the Group may either look to adjust its strategy to undertake more activities that are eligible and aligned with the EU Taxonomy or, to the extent the Group does not, it may be viewed more negatively by certain stakeholders in this regard (for a description of the risks associated with increasing negative perception by stakeholders, see Section 2.2.3 (*The Group's business may be subject to risks related to climate change, including physical risks such as increased adverse weather patterns and transition risks such as evolving climate change regulation, alternative fuel measures and mandates, shifting consumer preferences, technological advances and negative shifts in market perception towards the oil and natural gas industry and associated businesses, any of which could result in increased operating expenses and capital costs or decreased resources and adversely affect its financial results*) above). The Group plans to take steps to reduce its environmental impact in order to qualify. This may include reducing GHG emissions, investing in renewable energy sources and looking into other business segments.

The Group will be required to publicly report the EU Taxonomy-alignment of its activities in coming years as it begins undertaking CSRD reporting. As a result, to the extent that the Group's public disclosures of EU Taxonomy-alignment do not demonstrate that it is improving, or are likely to meet any goals or targets that it has set in this regard, that may negatively impact stakeholder sentiment in relation to the Group's environmental claims and reputation. For the years ended 31 December 2023 and 2024, the Group has assessed its economic activity and has concluded that none of its economic activities are considered 'taxonomy-eligible economic activities' within the meaning of the EU Taxonomy framework (as defined in Commission Delegated Regulation (EU) 2021/2178).

On 26 February 2025, the European Commission published a proposal involving, among other things, significant simplifications of the CSRD and the EU Taxonomy. For the CSRD, the European Commission's proposal includes, among other things, a postponed application for certain companies, a reduced scope of companies covered, as well as revised reporting standards. As for the EU Taxonomy, the European Commission's proposal includes, among other things, a reduction of the scope of companies covered and simplifications of the reporting templates. The European Parliament and the Council of the European Union have approved the proposal of the European Commission and this is expected to enter into force in June 2025. The Group is on track with implementing policies and procedures to comply with the CSRD beginning in 2025 for financial periods beginning on or after 1 January 2024.

2.3 Risks related to legal, accounting and tax matters

2.3.1 *The Group may identify material deficiencies in the Group's internal control over financial reporting and may otherwise fail to maintain effective internal control over financial reporting, which could result in a restatement of its financial statements or cause it to fail to meet its reporting obligations*

The Group has in the past and may in the future discover additional deficiencies in its disclosure controls and procedures and internal control over financial reporting in the future. The Group cannot assure that it has identified all, or that it will not in the future have additional, deficiencies. Any failure to develop or maintain effective controls or any difficulties encountered in their implementation or improvement could harm the Group's operating results or cause it to fail to meet its reporting obligations and may result in a restatement of its financial statements for prior periods. Any failure to implement and maintain effective internal control over financial reporting could also adversely affect the results of periodic management evaluations and annual independent registered public accounting firm attestation reports regarding the effectiveness of the Group's internal control over financial reporting that it will eventually be required to include in its periodic financial reports. If not remediated, potential investors in the Bonds may lose confidence in the accuracy and completeness of the Group's financial reports, the market price of the Bonds could be adversely affected and the Group could become subject to litigation or investigations, each of which could require additional financial and management resources.

2.3.2 *Changes in tax laws, regulations and treaties could adversely affect the Group's business, financial condition and results of operations*

Changes in tax laws, regulations and treaties in any of the multiple jurisdictions in which the Group operates could result in an unfavorable change in its effective tax rate, which could adversely affect its business, financial condition and operating results. Such changes may include (but are not limited to) the taxation of operating income, investment income, dividends received or (in the specific context of withholding tax) dividends paid or the taxation of partnerships and other pass-through entities. As a result, the tax laws in the United States and in jurisdictions in which the Group does business could change on a prospective or retroactive basis, and any such changes could have an adverse effect on the Group's worldwide tax liabilities, business, financial condition and results of operations. The Group is unable to predict what tax reform may be proposed or enacted in the future or what effect such changes would have on its business, but such changes, to the extent they are brought into tax legislation, regulations, policies or practices, could affect the Group's financial position and overall or applicable tax rates in the

future in countries where it has operations, reduce post-tax returns to its shareholders and increase the complexity, burden and cost of tax compliance.

For example, on 8 October 2021, the Organization for Economic Co-operation and Development (the "**OECD**")/G20 Inclusive Framework on Base Erosion and Profit Shifting released a statement indicating that its members had agreed to a two-pillar solution to address the tax challenges arising from the digitalization of the economy ("**Pillar Two**"). Pillar Two aims to establish a minimum global tax rate of 15%, assessed through a top-up tax imposed on a country-by-country basis. On 20 December 2021, the OECD released the Pillar Two model rules providing a framework for implementing a 15% minimum tax, also referred to as the Global Anti-Base Erosion ("**GloBE**") rules, on earnings of multinational companies with consolidated annual revenue exceeding EUR 750 million. On 14 December 2022, EU Member States agreed to adopt the 15% minimum tax under the Pillar Two model rules, to be enacted into the Member States' domestic tax law by 31 December 2023, with an effective date of 1 January 2024. For entities with a deviating fiscal year (e.g., July 1-June 30), the rules applied from the start of their first fiscal year beginning after 31 December 2023. As of the date hereof, most EU Member States have implemented the 15% minimum tax. The Group's global footprint includes operations within the EU, as well as other non-EU jurisdictions that have enacted GloBE related legislation. At this time, the Group is evaluating what effect, if any, Pillar Two or GloBE will have on its consolidated financial statements. The Group will continue to closely monitor Pillar Two developments and evaluate the potential impact to it as more foreign countries enact legislation and as new information, and guidance becomes available.

In addition, in the United States, the IRA 2022 introduced, among other changes, a 15% corporate minimum tax on certain U.S. corporations and a 1% excise tax on certain stock redemptions by publicly traded U.S. corporations. The Group does not currently expect that the 15% corporate minimum tax would have an effect on its overall effective tax rate. However, the Group is currently unable to predict the ultimate impact of the IRA 2022, actions of the Trump Administration or the U.S. Congress or any further changes in U.S. tax law on its business, financial condition and results of operations.

2.3.3 A loss of a major tax dispute or a successful tax challenge to the Group's operating structure, intercompany pricing policies or the taxable presence of its subsidiaries in certain countries could result in a higher taxes on its worldwide earnings, which could result in a significant negative impact on its earnings and cash flows from operations

The Group's tax returns are subject to review and examination. The Group does not recognize the benefit of income tax positions it believes are more likely than not to be disallowed upon challenge by a tax authority. The Group has in the past been, and currently is, subject to tax audits in the ordinary course of business. If the Group were to lose any material tax dispute in any country, its taxes on its worldwide earnings could increase substantially and its earnings and cash flows from operations could be materially adversely affected.

2.3.4 The Group is subject to various anti-corruption laws and regulations and laws and regulations relating to economic sanctions. Violations of these laws and regulations could have a material adverse effect on the Group's business, financial condition and results of operations

The Group is subject to various anti-corruption laws and regulations, including the U.S. Foreign Corrupt Practices Act of 1977, the U.K. Bribery Act 2010, the U.N. Convention Against Corruption, the Norwegian Penal Code (Sections 387, 388 and 389) and the Brazil Clean Company Act. These laws and regulations generally prohibit companies and their intermediaries from engaging in bribery, in receiving or making other improper payments of cash (or anything else of value) to government officials and other persons in order to obtain or retain business or to obtain an improper business benefit. The Group's business operations also must be conducted in compliance with applicable economic sanctions laws and regulations, including rules administered by the U.S. Department of the Treasury's Office of Foreign Assets Control, the U.S. Department of State, the U.S. Department of Commerce, the U.N. Security Council, the EU and its Member States, the United Kingdom, Norway and other relevant authorities.

The Group strives to conduct its business activities in compliance with relevant anti-corruption laws and regulations, and it has adopted proactive procedures to promote such compliance. While the Group is not aware of issues of historical noncompliance, full compliance cannot be guaranteed. Violations of anti-corruption laws and regulations, or even allegations of such violations, could result in civil or criminal penalties or other fines or sanctions, including prohibition of the Group participating in or curtailment of business operations in those jurisdictions and the seizure of assets, which could have a material adverse effect on its business, financial condition, results of operations and cash flows. Moreover, the Group may be held liable for actions taken by local partners or agents in violation of applicable anti-bribery laws and regulations, even though these partners or agents may themselves not be subject to such laws and regulations. Further, changes to the applicable laws and regulations, or significant business growth, may result in the need for increased compliance-related resources and costs.

2.3.5 Impairment in the carrying value of long-lived assets could reduce the Group's earnings

The Group has a significant number of long-lived assets on its consolidated balance sheet. Under GAAP, the Group is required to review its long-lived assets for impairment when events or circumstances indicate that the carrying value of such assets may not be recoverable or such assets will no longer be utilized by the Group. The carrying value of a long-lived asset is not recoverable if it exceeds the sum of the undiscounted cash flows expected to result from the use and eventual disposition of the asset. If business conditions or other factors cause the expected undiscounted cash flows to decline, the Group may be required to record non-cash impairment charges. Events and conditions that could result in impairment in the value of the Group's long-lived assets include changes in the industry in which the Group operates, long-term extended reduction in demand for oil and natural gas (and by extension, demand for its products and services), competition, advances in technology, adverse changes in the regulatory environment or other factors leading to a reduction in the Group's expected long-term profitability.

2.3.6 A prolonged downturn in the economic environment could cause an impairment of goodwill or other intangible assets and reduce the Group's earnings

As of 31 December 2024, the Group had USD 300.9 million of goodwill and USD 136.3 million of other identifiable intangible assets, including customer relationships (as part of a USD 724 million total of non-current assets). Goodwill is recorded when the purchase price of a business exceeds the fair market value of the tangible and separately measurable intangible net assets. IFRS EU requires the Group to test goodwill for impairment on an annual basis or when events or circumstances occur indicating that goodwill might be impaired. Any event that causes a reduction in demand for the Group's services could result in a reduction of its estimates of future cash flows and growth rates in its business. These events could cause the Group to record impairments of goodwill or other intangible assets and reduce the Group's earnings, which could have a material adverse effect on its business, financial condition, results of operations and cash flows.

2.3.7 Oilfield anti-indemnity provisions enacted by many U.S. states may restrict or prohibit a party's indemnification of the Group

The Group typically enters into agreements with its customers governing the provision of its services, which usually include certain indemnification provisions for losses resulting from operations. Such agreements may require each party to indemnify the other against certain claims regardless of the negligence or other fault of the indemnified party; however, many states place limitations on contractual indemnity agreements, particularly agreements that indemnify a party against the consequences of its own negligence. Furthermore, certain states, including Louisiana, New Mexico, Texas and Wyoming, have enacted statutes generally referred to as "oilfield anti-indemnity acts" expressly prohibiting certain indemnity agreements contained in or related to oilfield services agreements. Such oilfield anti-indemnity acts may restrict or void a party's indemnification of the Group, which could have a material adverse effect on its business, financial condition, results of operations and cash flows.

2.4 Risks related to technology and intellectual property

2.4.1 *New technology may cause the Group to become less competitive*

The oilfield equipment and services industry continues to see innovation, such as new drilling equipment, techniques and services using new technologies, some of which may be protected by patents or other intellectual property protections. Although the Group believes its technologies, products and services currently give it a competitive advantage, as competitors and others use or develop new or comparable technologies in the future, it may lose market share or be placed at a competitive disadvantage. Further, the Group may face competitive pressure to develop, implement or acquire certain new technologies at a substantial cost. Some of the Group's competitors have greater financial, technical and human resources that may give them a competitive advantage in developing, implementing and acquiring new technologies. Alternative products and services using new technologies may compete with or displace the Group's products and services. The Group may not be able to successfully differentiate its products and services from those of its competitors, or the relative value of its products and services may be eroded. The Group cannot be certain that it will be able to continue to develop, implement and acquire new technologies, products or services. For example, the Group may encounter resource constraints, technical barriers or other difficulties that would delay introduction of new products and services in the future. Additionally, the time and expense invested in product development may not result in commercial applications. Limits on the Group's ability to develop, bring to market, implement and effectively use new technologies may have a material adverse effect on its business, financial condition, results of operations and cash flows, including a reduction in the value of assets replaced by new technologies.

2.4.2 *The Group's intellectual property rights may be inadequate to protect its business*

The Group attempts to protect its intellectual property rights through a combination of patent, trademark, copyright and trade secret laws, as well as license agreements and third-party non-disclosure and assignment agreements. The Group's failure to adequately protect its intellectual property could have a material adverse effect on its business, financial condition and results of operations.

While the Group believes that it is not dependent on any one patent to protect its material technology, obtaining patent protection for the Group's products is an important component of its overall competitive business strategy. Patents typically give the owner the right to exclude third parties from making, using, selling and offering for sale the inventions claimed in the patents in the applicable country. Patent rights do not necessarily grant the owner of a patent the right to practice the invention claimed in a patent, but merely the right to exclude others from practicing the invention claimed in the patent. Patent laws and their implementation vary throughout the world. Policing the unauthorized use of the Group's intellectual property may be difficult and expensive (for a more detailed description of the risks related to the enforcement of the Group's intellectual property rights, see Section 2.4.4 (*The Group may have to enforce its intellectual property against others, and defend against intellectual property challenges against it, which could materially and adversely affect the Group's business and competitive position*) below). It may also be possible for a third party to design around the Group's patents. Patent rights have territorial limits. While the Group generally applies for patents in countries where the Group intends to make, has made, use or sell patented products or services, the Group may not accurately predict all of the countries where patent protection will ultimately be desirable, and the Group does not have patents in every jurisdiction in which it conducts business. Also, drilling may be conducted in international waters and therefore may not fall within the scope of any country's patent jurisdiction. As a result, the Group may not be able to enforce its patents against infringement occurring in international waters. The patents it owns could be challenged, invalidated or circumvented by others. In any event, its patent portfolio will not protect all aspects of its business and for the aspects it does protect, the portfolio may not provide the Group with meaningful protection or provide it with a commercial advantage, which would not prevent third parties from entering the same market. While the Group has patented some of its key technologies, it does not patent all of its proprietary technology, even when regarded as patentable. The process of seeking patent protection can be long and expensive. Further, there can be no assurance that patents will be issued from currently

pending or future applications or that, if patents are issued, they will be of sufficient scope or strength to provide meaningful protection or any commercial advantage to the Group.

Trademarks are also of considerable importance to the marketing of the Group's products. Although the Group typically registers trademarks in many of the countries where the trademarked products are used or generate revenue, the Group has not registered its trademarks in every country where it does or intends to do business. Moreover, the Group cannot guarantee that its attempts to register trademarks in the future will be successful, and third parties could seek to oppose the registration of the Group's trademarks, cancel any registrations or otherwise challenge the Group's rights in trademarks. The Group also benefits from common law protection for its trademarks in those countries where such common law rights are recognized. If the Group loses the rights to use its trademarks or its rights are challenged, the Group could be forced to rebrand the corresponding products and devote resources to marketing new brands. In turn, this could result in a loss of goodwill or substantial expenditure or otherwise have a material adverse effect on the Group's business.

The Group also relies on trade secret laws and contracts to protect its confidential and proprietary information. The Group attempts to limit access to and distribution of its technology and trade secrets by customarily entering into confidentiality agreements with its employees, consultants, partners, customers, potential customers and suppliers. There can be no assurance, however, that these agreements will provide meaningful protection for the Group's trade secrets, in the event of any unauthorized use, misappropriation or disclosure of them. Despite the Group's efforts to protect its proprietary rights, former employees, consultants, partners, customers, suppliers or other third parties may, in an unauthorized manner, attempt to use, copy or otherwise obtain and market or distribute the Group's intellectual property rights or technology or otherwise develop a product with the same functionality as the Group's technology. Moreover, trade secret protection does not prevent third parties from independently obtaining or developing similar information. Publicly available information (for example, information in expired patents, published patent applications and scientific literature) can also be used by third parties to independently develop technology. The Group cannot provide assurance that this independently developed technology will not be equivalent or superior to its proprietary technology. Inability to maintain the proprietary nature of the Group's technologies could have a material adverse effect on its business.

The Group also relies on intellectual property owned by third parties for the commercialization of its products. For a description of the specific risks associated therewith, see Section 2.4.3 (*The Group's inability to obtain and retain licenses to intellectual property owned by third parties for the commercialization of its products may negatively impact the Group's prospects and financial results*).

2.4.3 *The Group's inability to obtain and retain licenses to intellectual property owned by third parties for the commercialization of its products may negatively impact the Group's prospects and financial results*

In order to commercialize certain of its products, the Group licenses third-party patents, unpatented technology and trademarks in exchange for the performance of other obligations. For example, the Group is a party to license agreements with a subsidiary of Baker Hughes giving it a limited right to use the terms Vetco™ and VetcoGray™ as trademarks on certain products traditionally sold under those trademarks and certain other intellectual property rights relating to the business line Baker Hughes contributed to HMM Holding B.V. at the time of HMM Holding B.V.'s formation. In addition, the Group is party to another license agreement with Tenaris S.A., via its predecessor in interest, General Electric Company, relating to its wholly owned subsidiary's use of the Hydril™ trademark. The Group's breach of any of these licenses may result in their termination or expose the Group to financial liability or legal claims and could require it to cease using the trademarks or making, using or selling products that exploit the licensed technology. The Group's loss of third-party intellectual property rights or inability to license such rights in the future may result in a loss of competitive advantage, decreased revenue or increased operating expenses or otherwise adversely affect its business, financial condition, results of operations, cash flow and prospects.

2.4.4 The Group may have to enforce its intellectual property against others, and defend against intellectual property challenges against it, which could materially and adversely affect the Group's business and competitive position

The protection of the Group's intellectual property rights is essential to maintaining its competitive position and recognizing the value of the Group's investments in technology and intellectual property in its existing and future products. Intellectual property litigation and threats of litigation are becoming more common in the oilfield equipment and services industry. The Group may in the future be involved in litigation to enforce its patents or other intellectual property rights, protect its trade secrets and know-how or defend itself against allegations of intellectual property infringement brought by the Group's competitors or other third parties.

Policing unauthorized use of the Group's intellectual property rights is difficult, and nearly impossible on a worldwide basis. Therefore, the Group cannot be certain that the steps it has taken or will take in the future will prevent misappropriation of its technology or intellectual property rights. In the event that the Group needs to enforce its intellectual property against an infringer or party otherwise misappropriating or violating the Group's intellectual property rights, litigation can require multiple years to come to resolution or settlement, and even if the Group ultimately prevails, it may be unable to realize adequate protection of its competitive position. In addition, these actions commonly result in defendants attacking the validity of the asserted intellectual property. Even with a meritorious case, there is no guarantee of success, and intellectual property litigation can result in substantial costs and diversion of management resources. In the event that one or more of the Group's patents are challenged, competent courts may invalidate a patent or determine that a patent is not enforceable, which could harm the Group's competitive position. If any of the Group's patents are invalidated, or if the scope of the claims in any of these patents is limited by a court decision, the Group could be prevented from pursuing certain litigation matters or licensing the invalidated or limited portion of such patents. Such adverse decisions could negatively impact the Group's business, financial condition, results of operations and cash flows.

The Group also faces the risk of claims that it has infringed third parties' patents or other intellectual property rights. The Group's competitors, many of which have substantially greater resources and have made substantial investments in competing technologies, may have applied for or obtained, or may in the future apply for and obtain, patents that will prevent, limit or otherwise interfere with the Group's ability to make and sell its products. The large number of patents, the rapid rate of new patent issuances, the complexities of the technology involved and the uncertainty of litigation increase the risk of potential litigation. In the event that the Group or one of its customers becomes involved in a dispute over infringement, misappropriation or other violation of intellectual property rights relating to equipment or technology owned or used by the Group, services performed by the Group or products provided by the Group, the Group may lose access to important equipment or technology or its ability to provide the Group's products or services. In addition, the Group could be required to cease use of some equipment or technology or forced to modify its equipment, technology, products or services, and it could be required to pay substantial damages. The Group could also be required to pay license fees or royalties for the use of equipment, technology or products. The Group may not be able to obtain the necessary licenses on acceptable terms, or at all, or be able to re-engineer its products successfully. If the Group's inability to obtain required licenses for its technologies or products prevents it from selling its products, that could adversely impact the Group's financial condition and results of operations. Further, the Group may lose a competitive advantage in the event it is unsuccessful in enforcing its rights against third parties. All of the foregoing could have a material adverse effect on its business, financial condition, results of operations and cash flows.

2.4.5 The Group may be subject to claims that its employees, consultants or advisors have wrongfully used or disclosed alleged trade secrets of their current or former employers or claims asserting ownership of what the Group regards as its own intellectual property

Some of the Group's employees and consultants are currently or were previously employed at other companies in the Group's field, including its competitors or potential competitors. Although the Group tries to ensure that its employees and consultants do not use the proprietary information or know-how of others in their work for the Group,

it may be subject to claims that it or these individuals have used or disclosed intellectual property, including trade secrets or other proprietary information, of any such individual's current or former employer. Litigation may be necessary to defend against these claims. If the Group fails in defending any such claims, in addition to paying monetary damages, the Group's may lose valuable intellectual property rights or personnel. Even if the Group is successful in defending against such claims, litigation could result in substantial costs and be a distraction to management.

Although, as a condition of employment or engagement, the Group's employees and contractors acknowledge that all intellectual property developed in the scope of their employment or in performance of services belongs to the Group as a work for hire, those personnel involved in developing intellectual property the Group regards as its own may dispute whether such intellectual property is owned by the Group. In addition, while it is the Group's policy to require its employees and contractors who may be involved in the conception or development of inventions to execute agreements assigning such inventions to the Group, it may be unsuccessful in executing such an agreement with each party who, in fact, conceives or develops inventions that the Group regards as its own. An employee or other party may refuse to execute an assignment of intellectual property rights, or the assignment agreements may be breached, and the Group may be forced to bring claims or defend claims that such parties may bring against the Group to determine the ownership of what it regards as its own intellectual property. Any of the foregoing could have a material adverse effect on the Group's business, financial condition, results of operations and cash flows.

2.4.6 *Errors or failures of the Group's proprietary software may result in liability or reputational damages or otherwise adversely affect its business.*

The Group's software products include drilling optimization, automation and other solutions that support the drilling operations of the Group's customers. The Group's development processes and quality control programs for its software are intended to avoid the introduction of defects and errors in its proprietary software. However, the Group cannot guarantee that it has identified all defects and errors in its software, or that ongoing maintenance and development of the software will not introduce defects and errors in it. In addition, the Group's software uses open source software, which may contain undetected defects or errors now or in the future. Errors or failures may also be caused by cybersecurity breaches; for a description of the specific risks associated with cybersecurity risks and threats, see Section 2.4.7 (*The Group is exposed to cybersecurity risks and threats*).

Defects or errors in the Group's software products may result in disruptions to or failures in the drilling operations that they support. Disruption or failure of the Group's customers' drilling operations may result in accidents and financial liability for the Group and its customers, which could have a material adverse effect on its reputation, business, financial condition, results of operations and cash flows.

2.4.7 *The Group is exposed to cybersecurity risks and threats*

The Group relies heavily on computer information systems to conduct its business, and also provides certain software-based control systems to customers. Any failure, interruption, or breach in security of the Group's information systems or the control systems provided to customers could result in failures or disruptions in the Group's or its customers' operations (for a description of the specific risks related to errors or failures in the Group's proprietary software, see Section 2.4.6 (*Errors or failures of the Group's proprietary software may result in liability or reputational damages or otherwise adversely affect its business.*) above). Any failure or security breach might not be adequately contained. A failure, interruption or security breach of information systems or control systems could have a material adverse effect on the Group's business, results of operations or financial condition.

2.5 Risks related to the Group's indebtedness

2.5.1 *The Group may not be able to generate sufficient cash to service all of its indebtedness and may be forced to take other actions to satisfy its obligations under applicable debt instruments, which may not be successful*

The Group's ability to make scheduled payments on or to refinance its indebtedness obligations depends on its financial condition and operating performance, which are subject to prevailing economic and competitive conditions and certain financial, business and other factors beyond the Group's control. The Group may not be able to maintain a level of cash flows from operating activities sufficient to permit it to pay the principal, premium, if any, and interest on its indebtedness.

If the Group's cash flows and capital resources are insufficient to fund debt service obligations, it may be forced to reduce or delay investments and capital expenditures, sell assets, seek additional capital or restructure or refinance indebtedness. Its ability to restructure or refinance indebtedness will depend on the condition of the capital markets and its financial condition at such time. Any refinancing of indebtedness could be at higher interest rates and may require the Group to comply with more onerous covenants, which could further restrict business operations. The terms of existing or future debt instruments may restrict the Group from adopting some of these alternatives. In addition, any failure to make payments of interest and principal on outstanding indebtedness on a timely basis would likely result in a reduction of the Group's credit rating, which could harm its ability to incur additional indebtedness. In the absence of sufficient cash flows and capital resources, the Group could face substantial liquidity problems and might be required to dispose of material assets or operations to meet debt service and other obligations. The Group's debt agreements may restrict its ability to dispose of assets and its use of the proceeds from such disposition. It may not be able to consummate those dispositions, and the proceeds of any such disposition may not be adequate to meet any debt service obligations then due.

If the Group is unable to meet its debt service and repayment obligations, it would be in default under the terms of its debt agreements, which would allow the Group's creditors at that time to declare all outstanding indebtedness to be due and payable. Under these circumstances, the Group's lenders and creditors could compel it to apply all of its available cash to repay its borrowings. In addition, the Group's lenders could seek to foreclose on any of its assets that constitute their collateral. If the amounts outstanding under its indebtedness were to be accelerated, or were the subject of foreclosure actions, the Group's assets may not be sufficient to repay in full the money owed to the lenders, and such payment acceleration would have a material adverse effect on the Group's liquidity, business and financial condition.

2.5.2 *Restrictions in the Group's existing and future debt agreements could limit its growth and its ability to engage in certain activities*

The Group's existing debt agreements contain, and any future debt agreements will likely contain, a number of significant covenants, including restrictive covenants that may limit its ability to, among other things:

- incur additional indebtedness and guarantee indebtedness;
- pay dividends or make other distributions on, or redeem or repurchase, capital stock and make other restricted payments;
- prepay, redeem or repurchase certain debt;
- issue certain preferred stock or similar equity securities;
- make loans, investments or capital expenditures;
- consummate certain asset sales;
- make certain acquisitions;
- engage in transactions with affiliates;
- grant or assume liens;
- alter the businesses it conducts;

- enter into agreements restricting the Group's subsidiaries' ability to pay dividends; and
- consolidate, merge or transfer all or substantially all of the Group's assets.

Furthermore, the Group's debt agreements contain certain other operating and financial covenants, including the obligation to satisfy a certain debt-to-equity ratio, a leverage ratio, interest cover ratio and a liquidity requirement. Specifically, the Bond Terms and the Revolving Credit Facility (as defined in the Bond Terms) require the Group to maintain at all times a minimum liquidity of not less than USD 30 million, a gearing ratio of Consolidated Net Total Borrowings to Consolidated Total Equity (each as defined in the Bond Terms and Revolving Credit Facility respectively) not to exceed 1.00 to 1.00 and an interest cover ratio of Adjusted EBITDA (as defined in the Bond Terms) to Net Interest Expenses (each as defined in the Bond Terms and Revolving Credit Facility respectively) of not less than 2.50 to 1.00. While the Group is currently in compliance with each of these financial covenants, the Group's ability to comply with the covenants and restrictions contained in its debt agreements may be affected by events beyond its control, including prevailing economic, financial and industry conditions. If market or other economic conditions deteriorate, the Group's ability to comply with these covenants may be impaired. If it violates any of the restrictions, covenants, ratios or tests in its debt agreements, all or a significant portion of its indebtedness may become immediately due and payable, and the Group's lenders' commitment to make further loans to it may terminate. The Group might not have, or be able to obtain, sufficient funds to make these accelerated payments. The Revolving Credit Facility is secured by liens on substantially all of HMM Holding B.V.'s assets, including the equity of its material subsidiaries, and guarantees, either directly or indirectly, from its material subsidiaries. The Senior Secured Bonds are secured by liens on substantially all of HMM Holding B.V.'s assets, including the equity of its material subsidiaries, and guarantees, either directly or indirectly, from its material subsidiaries. Any acceleration of the Group's debt obligations could result in a foreclosure on the collateral securing such debt. The Group's debt agreements also require it to make mandatory prepayments and repurchases in certain circumstances. Any future required prepayments or repurchases will reduce the Group's cash available for investment in its business. Any subsequent replacement of its debt agreements or any new indebtedness could have similar or greater restrictions.

2.6 Risks related to the Bonds

2.6.1 *The Bond Terms impose significant operating and financial restrictions on the Group*

The Bond Terms contain restrictions on the Issuer's activities, including, but not limited to, covenants that limit their ability to:

- transfer or sell all or substantially all of the Group's assets or operations,
- incur or guarantee additional debt,
- create or permit security interests on the Issuer's assets,
- pay dividends or make other payments, and
- enter into transactions with affiliates.

The restrictions may prevent the Issuer from taking actions that it believes would be in the best interest of its business and may make it difficult for the Issuer to execute its business strategy successfully or compete effectively with companies that are not similarly restricted.

Inability to take actions and/or effect profitable business strategies or loss of competitiveness as a result of these restrictions may have a material adverse effect on the Issuer's business, results of operations, financial position and/or prospects, which in turn may cause a decline in the value and trading price of the Bonds, result in loss of all or part of an investment in the Issuer and the Bonds and ability to make required payments on or repay the Bonds.

2.6.2 *The security granted by the Guarantors and other Group entities may not be sufficient to cover amounts owed to bondholders*

The Bonds are secured by guarantees provided by the Guarantors (as defined below), as well as by share security over each Guarantor. However, the Guarantors may cease to be creditworthy, and there is a risk that the value of the share security may become insufficient to cover amounts owed to the bondholders.

Furthermore, the Bond Terms contemplate additional secured financing in the form of any credit facility or capital market instrument that may participate in the guarantee and security package on a pari passu basis, in an amount not exceeding the amount of the Bonds, with maturity no earlier than six months after the Bonds and scheduled amortization no earlier than the maturity date of the Bonds. The Bond terms also permit incurrence of one or more super senior secured revolving credit facilities with an aggregate maximum commitment not exceeding the higher of USD 50,000,000 (or its equivalent in any other currency) and 50.00 per cent of the Adjusted EBITDA for the latest Relevant Period (as defined in the Bond Terms) and super senior hedging. The super senior creditors and the hedge counterparties will receive (i) the proceeds from any enforcement of the Transaction Security and certain distressed disposals and (ii) any payments following any other enforcement event prior to the Bondholders (but otherwise rank pari passu in right of payment with the Bonds) in accordance with the waterfall provisions of an intercreditor agreement. Any intercreditor agreement will also contain certain provisions regulating instruction rights, including instructions as to enforcement. Upon certain conditions being met, such instruction rights may be held entirely by a defined majority of such super senior creditors which may have conflicting interests with the bondholders in a default and enforcement scenario, including an incentive to take enforcement steps that may be detrimental to the value of the Bonds and recovery for the bondholders. To the extent there is additional secured financing participating in the guarantee and security package on a super senior and/or pari passu basis, this increases the likelihood that, although the Bonds are secured obligations of the Issuer, the value of the security may not be sufficient to cover all the outstanding amounts under the Bond Terms together with accrued interest and expenses in case of a default and/or if the Issuer enters into liquidation. Furthermore, enforcing the guarantees and share security may be an expensive and time-consuming process involving complex legal proceedings, and there can be no certainty that it will be successful. Even if the bondholders are successful in bringing an action in a jurisdiction, local laws may prevent or restrict the bondholders from enforcing a judgment against a member of the Group, the Group's assets, or the assets of its officers.

2.6.3 *The Issuer may have insufficient funds to make required repurchases of Bonds*

The Bond Terms provide certain voluntary or mandatory redemption and repurchase mechanics with respect to the Bonds. The Bondholders may require the Issuer to repurchase bonds under certain conditions upon the occurrence of, inter alia, a material asset sale, as further specified in the Bond Terms. The Issuer might not have sufficient funds at the time of such event to make the required repurchase of the Bonds, should a mandatory repurchase event occur, the ability of the Issuer's subsidiaries to pay distributions, dividends, intercompany debt and other payments to its direct and indirect parent entities, including the Issuer, may be restricted (see Section 2.6.5 (*The Issuer is predominantly a holding company and will accordingly be dependent upon distributions from its subsidiaries to meet its obligations under the Bonds*) below). As a result, Bondholders may face the risk of delayed or partial payments in connection with any required repurchase of the Bonds, which could adversely affect the value of their investment and the overall liquidity of the Bonds. Furthermore, the Issuer's failure to redeem the Bonds would constitute an event of default under the Bond Terms.

2.6.4 *The Issuer's option to redeem the Bonds may limit the marked value of the Bonds*

Pursuant to the Bond Terms, the Bonds are subject to optional redemption by the Issuer at their outstanding principal amount, plus accrued and unpaid interest to the date of redemption, plus in some events a premium calculated in accordance with the Bond Terms. This is likely to limit the market value of the Bonds. It might not be possible for Bondholders to reinvest proceeds at an effective interest rate as high as the interest rate on the Bonds.

2.6.5 *The Issuer is predominantly a holding company and will accordingly be dependent upon distributions from its subsidiaries to meet its obligations under the Bonds*

The Issuer is a holding company and will have no material assets other than its equity interest in its subsidiaries. The Issuer will have no independent means of generating revenue. To the extent that the Issuer needs funds and its subsidiaries are restricted from making such distributions or payments under applicable law or regulation or under the terms of any current or future financing arrangements, or are otherwise unable to provide such funds, the Issuer's liquidity and financial condition could be materially adversely affected.

Moreover, because the Issuer will have no independent means of generating revenue, its ability to make payments under the Bond Terms is dependent on the ability of its subsidiaries to make distributions to it in an amount sufficient to cover its obligations under the Bond Terms. This ability, in turn, may depend on the ability of the subsidiaries to make distributions to it. The ability of the Issuer's subsidiaries and other entities in which it directly or indirectly holds an equity interest to make such distributions will be subject to, among other things, (i) the applicable provisions of Dutch law (or other applicable jurisdiction) that may limit the amount of funds available for distribution and (ii) restrictions in relevant debt instruments issued by the Issuer's subsidiaries and other entities in which it directly or indirectly holds an equity interest.

The Issuer depends on obtaining cash from its subsidiaries in order to have the funds necessary to pay the principal of and interest on the Bonds and to meet its other obligations. The ability of the subsidiaries to pay distributions, dividends, intercompany debt and other payments to its direct and indirect parent entities, including the Issuer, may be restricted by, among other things, the availability of cash flows from operations and applicable corporate, tax and other laws and other agreements to which the subsidiaries are party. In addition, certain subsidiaries of the Issuer are restricted by the terms of their financings from paying dividends in certain circumstances, and the quantity and frequency of dividends that may be paid to the Issuer may fluctuate based on factors outside the Issuer's control. Compliance with such restrictions may limit the amounts available for such distribution or transfer or may lead to such distributions or transfers being subject to costs, deductions and withholdings.

Furthermore, all cash in the Group may be held in bank accounts of subsidiaries which are pledged in favor of secured creditors and may become unavailable to the Issuer or the Bondholders in a default or enforcement scenario. The inability to transfer cash from the Issuer's subsidiaries, whether in the ordinary course or in an enforcement scenario, may result in the Group not being able to meet its obligations under the Bond Terms, which could result in an investor losing its investment in the Bonds in whole or in part.

2.6.6 *There is presently no active trading market for the Bonds*

If the Bonds are admitted to trading, active trading in the Bonds may not occur and a liquid market for trading in the Bonds may not develop. Furthermore, if the Issuer fails to comply with the various obligations and standards of conduct imposed in connection with the listing of the Bonds, this may lead to the exclusion of the Bonds from trading. As a result of any of the foregoing, Bondholders may find it difficult or impossible to trade their Bonds when desired or at a price level which allows for a profit comparable to similar investments.

2.6.7 *The value of the Bonds is volatile*

The market value of the Bonds could be subject to significant fluctuations in response to actual or anticipated variations in the Group's operating results and those of its competitors, adverse business developments, changes to the regulatory environment in which the Group operates, changes in financial estimates by securities analysts and the actual or expected sale of a large number of Bonds. In addition, in recent years, the global financial markets have experienced significant price and volume fluctuations, which, if repeated in the future, could adversely affect the market value of the Bonds without regard to the Issuer's operating results, financial condition or prospects.

2.6.8 *Exchange risks for non-USD investors*

The Bonds are issued in USD, and any future payments of interest on the Bonds will be paid in USD. Accordingly, any investor with another reference currency in its ordinary course of business is subject to adverse movements in the USD against their local currency as such adverse movements could have a material adverse effect on the local currency equivalent of any USD payments on the Bonds.

3 GENERAL INFORMATION

3.1 Other important investor information

The Issuer has furnished the information in this Prospectus. The Issuer's advisors make no representation or warranty, express or implied, as to the accuracy, completeness or verification of the information set forth herein, and nothing contained in this Prospectus is, or shall be relied upon, as a promise or representation in this respect, whether as to the past or the future.

The information contained herein is current as of the date hereof and is subject to change, completion and amendment without notice. In accordance with Article 23 of the EU Prospectus Regulation, every significant new factor, material mistake or material inaccuracy relating to the information included in this Prospectus, which may affect the assessment of the Bonds and which arises or is noted between the time when the Prospectus is approved by the AFM and the Listing, will be presented 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.

Neither the Issuer nor any of its respective affiliates, representatives or advisors, is making any representation, express or implied, to any offeree or purchaser of Bonds regarding the legality or suitability of an investment in the Bonds. 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 Bonds.

Investing in the Bonds involves a high degree of risk. See Section 2 (*RISK FACTORS*).

3.2 Responsibility statement

This Prospectus has been prepared by the Issuer in connection with the Listing.

The Issuer accepts responsibility for the information contained in this Prospectus. The Issuer declares that to the best of its knowledge, the information contained in this Prospectus is in accordance with the facts and that the Prospectus makes no omission likely to affect its import.

3.3 Presentation of financial and other information

3.3.1 *Financial information of the Issuer*

As further detailed in the following Sections, the financial information in this Prospectus relating to the Issuer has been derived from the following financial statements (together, the "**Issuer Financial Information**"):

- Audited consolidated financial statements for the Issuer as of and for the financial years ended 31 December 2024 and 31 December 2023 (the "**Issuer Annual Financial Statements**"), prepared in accordance with the International Financial Reporting Standards issued by the International Accounting

Standards Board ("**IFRS**") as adopted by the EU ("**IFRS EU**") and title 2.9 of the Dutch Civil Code. The Issuer Annual Financial Statements are presented in USD and have been audited by KPMG Accountants N.V. The audit reports are issued without any qualifications, modifications of opinion, disclaimers or emphasis of matter; and

- Unaudited interim financial statements for the Issuer as of and for the three-month period ended 31 March 2025, with comparable figures for the Issuer's consolidated statement of income and consolidated statement of cash flows for the three-month period ended 31 March 2024 (the "**Issuer Interim Financial Statements**"). The Interim Financial Statements are prepared in accordance with the International Accounting Standard 34 "*Interim Financial Reporting*" as adopted by the EU ("**IAS 34**"). The Issuer Interim Financial Statements are presented in USD and have not been audited.

For information regarding accounting policies and the use of estimates and judgements, please refer to note 1 of the Issuer Annual Financial Statements, as well as in integrated parts of the other notes of the Issuer Annual Financial Statements. There is no financial information in the Prospectus about the Issuer not extracted from the Issuer Financial Statements.

The Issuer Annual Financial Statements and the Issuer Interim Financial Statements are included in Appendices 12 - 14 to this Prospectus.

3.3.2 *Financial information of the Guarantors*

The financial information in this Prospectus of each Guarantor has been derived from the following financial statements:

- Audited annual financial statements as of and for the financial years ended 31 December 2023 and 2022 for MHWirth AS, prepared in accordance with Norwegian GAAP accounting standards, in accordance with Norway's national accounting standards for issuers from the EEA;
- Audited annual financial statements as of and for the financial years ended 31 December 2023 and 2022 for Hydril USA Distribution LLC, prepared in accordance with US GAAP accounting standards, which have been designated as equivalent to IFRS EU in accordance with Commission Decision of 12 December 2008 (2008/961/EC);
- Audited annual financial statements as of and for the financial years ended 31 December 2023 and 2022 for Hydril PCB Limited, prepared in accordance with UK GAAP accounting standards;
- Audited annual financial statements as of and for the financial years ended 31 December 2023 and 2022 for HMM Drilling Asia Pte. Ltd., prepared in accordance with Singapore Financial Reporting Standards (International) and IFRS;
- Unaudited annual financial statements as of and for the financial years ended 31 December 2023 and 2022 for MHWirth LLC, prepared in accordance with US GAAP accounting standards, which have been designated as equivalent to IFRS EU in accordance with Commission Decision of 12 December 2008 (2008/961/EC);
- Audited German language annual financial statements as of and for the financial years ended 31 December 2023 and 2022 for MHWirth GmbH, prepared in accordance with German GAAP accounting standards, in accordance with Germany's national accounting standards for issuers from the EEA (together with an unofficial English language translation);
- Audited annual financial statements as of and for the financial years ended 31 December 2023 and 2022 for MHWirth FZE, prepared in accordance with IFRS; and
- Audited Brazilian language annual financial statements as of and for the financial years ended 31 December 2023 and 2022 for MHWirth do Brasil Equipamentos Ltda, prepared in accordance with Brazilian GAAP accounting standards (together with an unofficial English language translation),

(together, the "**Guarantors' Annual Financial Statements**") and:

- Unaudited interim financial statements for each of the Guarantors (except for HMH Holding (Netherlands) B.V.) as of and for the 9-month period ended 30 September 2024, with comparable figures for the Guarantors' statements of income and statements of cash flows for the 9-month period ended 30 September 2023; and
- Unaudited interim financial statement for HMH Holding (Netherlands) B.V. for the 9-month period ended 30 September 2024, without comparable figures for the 9-month period ended 30 September 2023,

(together, the "**Guarantors' Interim Financial Statements**"). The Guarantors' Interim Financial Statements are presented in USD, NOK, EUR, GBP, BRL or AED and have not been audited,

(together with the Guarantors' Annual Financial Statements, the "**Guarantors' Financial Information**", and, together with the Issuer Financial Information, the "**Financial Information**").

The audited Guarantors' Financial Information has been audited by the independent auditors listed in Section 6.2.2, as set forth in their respective reports included therein.

The audit reports for the Guarantors' Financial Information are issued without qualifications, modifications of opinion, disclaimers or emphasis of matter. For information regarding accounting policies and the use of estimates and judgements, please refer to note 1 of each of the Guarantor's respective financial statements, as well as in integrated parts of the other notes of the Guarantors' Financial Statements.

Apart from the respective auditor's reports included in the Guarantors' Financial Information, none of the independent auditors listed in Section 6.2.2 have audited, reviewed or produced any report on any other information provided in this Prospectus.

There is no financial information in the Prospectus about any of the Guarantors not extracted from the abovementioned Guarantors' Financial Information.

The Guarantors' Financial Information is included in Appendices 15 - 38 to this Prospectus.

3.3.3 *Exemption to include certain financial information*

In accordance with Article 18(1) of the EU Prospectus Regulation, the Issuer has received an exemption from the AFM from the requirement to include the following information in this Prospectus:

- restated and audited historical financial information for Hydril PCB Limited and MHWirth do Brasil Equipamentos Ltda in accordance with accounting standards accepted pursuant to the EU Prospectus Regulation;
- audit reports accompanying the historical financial information for Hydril PCB Limited prepared in accordance with auditing standards accepted pursuant to the EU Prospectus Regulation; and
- audited historical financial information for MHWirth LLC.

The abovementioned information is not readily available and would be costly and time consuming for the Issuer to prepare. Considering that (i) on a consolidated basis, the Guarantors represent 100% of the net assets of the issuer's group and 100% of the group's Adjusted EBITDA (as at 31 December 2024), (ii) the assets, liabilities and equity of the abovementioned Guarantors (Hydril PCB Limited, MHWirth do Brasil Equipamentos Ltda and MHWirth LLC) on a stand-alone basis represent only a limited portion of the total consolidated assets, liabilities and equity of the Issuer, and (iii) alternative financial information is available that will allow investors to fully assess the worthiness of the relevant guarantees, the information is of minor importance in relation to the Listing and is not expected to influence the assessment of the financial position and prospects of the relevant Guarantors. See also section 5.9 (*Material agreements outside the ordinary course of business*).

3.3.4 *Industry and market data*

In this Prospectus, the Issuer has used industry and market data from independent industry publications and market research, including Rystad Energy and the International Energy Agency.

The Issuer confirms that where information has been sourced from a third party, such information has been accurately reproduced and that as far as the Issuer 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. However, source references to websites shall not be deemed as incorporated by reference to this Prospectus.

The Issuer confirms that no statement or report attributed to a person as an expert is included 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 Issuer 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.

The Issuer cautions prospective investors not to place undue reliance on the above-mentioned data. Unless otherwise indicated in the Prospectus, any statements regarding the Group's competitive position are based on the Issuer's own assessment and knowledge of the market in which it operates. Such information and data are sourced herein as "**Company Information**".

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 Issuer'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.

3.3.5 *Currencies*

In this Prospectus, all references to "**USD**" are to the lawful currency of the United States; all references to "**NOK**" are to the lawful currency of Norway; all references to "**EUR**" are to the lawful common currency of the EU member states who have adopted the Euro as their sole national currency; all references to "**GBP**" are to the lawful currency of the U.K.; all references to "**BRL**" are to the lawful currency of Brazil; all references to "**AED**" are to the lawful currency of the United Arab Emirates. No representation is made that the USD, NOK, EUR, GBP, BRL or AED amounts referred to herein could have been or could be converted into USD, NOK, EUR, GBP, BRL or AED as the case may be, at any particular rate, or at all. The Issuer Financial Information is presented in USD. The Guarantors' Financial Information is presented in USD, NOK, EUR, GBP, BRL or AED.

3.3.6 *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.

3.3.7 *Alternative performance measures (APMs)*

3.3.7.1 *Introduction*

In order to enhance investors' understanding of the Group's performance, the Issuer presents in this Prospectus certain alternative performance measures ("**APMs**") as defined by ESMA in the ESMA Guidelines on Alternative Performance Measures 2015/1057.

An APM is defined as a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specific in the applicable financial reporting framework (IFRS EU). The Issuer uses APMs to measure operating performance and is of the view that the APMs provide investors with relevant and specific operating figures which may enhance their understanding of the Group's performance. The APMs presented herein have been used in the Prospectus, and are in the Management's opinion relevant for reporting purposes after the Listing.

The APMs presented herein are not measurements of performance under IFRS EU or other generally accepted accounting principles and investors should not consider any such measures to be an alternative to: (a) operating revenues or operating profit (as determined in accordance with IFRS EU or other generally accepted accounting principles), as a measure of the Group's operating performance; or (b) any other measures of performance under generally accepted accounting principles. The APMs presented herein may not be indicative of the Group's historical operating results, nor are such measures meant to be predictive of the Group's future results. The Issuer believes that the APMs presented herein are commonly reported by companies in the markets in which the Group competes and are widely used by investors in comparing performance on a consistent basis without regard to factors such as depreciation, amortization and impairment, which can vary significantly depending upon accounting measures (in particular when acquisitions have occurred), business practice or non-operating factors. Accordingly, the Group discloses the APMs presented herein to permit a more complete and comprehensive analysis of its operating performance relative to other companies across periods. Because companies calculate the APMs presented herein differently, the Group's presentation of these APMs may not be comparable to similarly titled measures used by other companies.

The Issuer uses the following APM:

Adjusted EBITDA	Adjusted EBITDA corresponds to operating profit/loss plus long-term incentive plan, restructuring and other non-recurring cost and depreciation, amortization and impairment.
------------------------	---

3.3.7.2 *Calculations and reconciliations of the APMs*

The table below sets out the APMs presented by the Group in this Prospectus on a historical interim and annual basis. The table below shows the relevant APMs on a reconciled basis, to provide investors with an overview of the basis of calculation of the APMs. See Section 3.3.7 (*Alternative performance measures (APMs)*) above for a further description of the APMs presented below.

The calculation of the APMs in this Prospectus is based on the Issuer Financial Information as further described in Section 3.3.1 (*Financial information of the Issuer*).

Adjusted EBITDA (in USD 1,000)	three-month period ended 31 March		Year ended 31 December	
	2025	2024	2024	2023
Operating profit / (loss)	14,838	20,488	114,537	77,544
Long-Term incentive plan	(1,095)	(1,680)	(5,557)	(2,711)
Restructuring and other non-recurring cost	(2,294)	-	-	(6,832)
Depreciation, amortization and impairment	(14,413)	(11,022)	(47,629)	(44,683)
Adjusted EBITDA	32,640	33,190	167,723	131,770

3.4 Cautionary note regarding forward-looking statements

This Prospectus includes forward-looking statements that reflect the Issuer's current views with respect to future events and financial and operational performance. These forward-looking statements may be identified by the use of forward-looking terminology, such as the terms "anticipates", "assumes", "believes", "can", "could", "estimates", "expects", "forecasts", "intends", "may", "might", "plans", "projects", "should", "will", "would" or, in each case, their negative, or other variations or comparable terminology. These forward-looking statements as a general matter are all statements other than statements as to historic facts or present facts and circumstances. They appear, among other areas, in the following sections in this Prospectus, 5 (*BUSINESS OF THE GROUP*), and 6 (*SELECTED HISTORICAL FINANCIAL INFORMATION AND OTHER INFORMATION*), and include statements regarding the Issuer's intentions, beliefs or current expectations concerning, among other things, financial strength and position of the Group, operating results, liquidity, prospects, growth, the implementation of strategic initiatives, as well as other statements relating to the Group's future business development and financial performance, and the industry in which the Group operates, such as, but not limited to the Group's expansion in existing and entry into new markets in the future.

Prospective investors are cautioned that forward-looking statements are not guarantees of future performance and that the Group's actual financial position, operating results and liquidity, and the development of the industry and potential market in which the Group may operate in the future, may differ materially from those made in, or suggested, by the forward-looking statements contained in this Prospectus. The Issuer cannot guarantee that the intentions, beliefs or current expectations upon which its forward-looking statements are based will occur.

By their nature, forward-looking statements involve, and are subject to, known and unknown risks, uncertainties and assumptions as they relate to events and depend on circumstances that may or may not occur in the future. Because of these known and unknown risks, uncertainties and assumptions, the outcome may differ materially from those set out in the forward-looking statements. Important factors that could cause those differences include, but are not limited to:

- the Group's strategy, outlook and growth prospects;
- the Group's operational and financial objectives, including statements as to the Issuer's medium or long-term growth, margin, and dividend policy;
- the competitive nature of the business in which the Group operates and the competitive pressure and competitive environment in general;
- earnings, cash flow, dividends and other expected financial results and conditions;
- the expected growth and other developments of the industries which the Group operates;
- the Group's planned investments;
- forecasts; and

- the Group's liquidity, capital resources, capital expenditures, and access to funding.

The risks that are currently known to the Issuer and which could affect the Group's future results and could cause results to differ materially from those expressed in the forward-looking statements are discussed in Section 2 "*Risk factors*".

The information contained in this Prospectus identifies additional factors that could affect the Group's financial position, operating results, cash flow, liquidity and performance. Prospective investors are urged to read all Sections of this Prospectus for a more complete discussion of the factors that could affect the Group's future performance and the industry in which the Group operates when considering an investment in the Issuer.

These forward-looking statements speak only as of the date on which they are made. The Issuer undertakes no obligation to publicly update or publicly revise any forward-looking statement, whether as a result of new information, future events or otherwise. All subsequent written and oral forward-looking statements attributable to the Issuer or to persons acting on the Issuer's behalf are expressly qualified in their entirety by the cautionary statements referred to above and contained elsewhere in this Prospectus.

3.5 Validity

This Prospectus has been approved by the AFM, as competent authority under the Prospectus Regulation. The AFM only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer, the Guarantors 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.

The validity of this Prospectus will expire on the earlier of (i) the Listing, and (ii) 12 months from the date of this Prospectus. The obligation to supplement a prospectus in the event of significant new factors, material mistakes or material inaccuracies does not apply when this Prospectus is no longer valid (see Section 3.1 (*Other important investor information*)).

4 THE BONDS

4.1 Main terms of the Bonds

The Bond Issue is governed by the Norwegian law governed bond agreement entered into on 15 November 2023 between the Issuer as issuer and Nordic Trustee AS as bond trustee on behalf of the bondholders (the "**Bondholders**" or, individually, a "**Bondholder**"), as amended and restated on 10 February 2025 (the "**Bond Terms**"). A copy of the Bond Terms is attached to this Prospectus as Appendix 2.

In this Section 4.1 "*Main terms of the Bonds*", capitalized terms used and not defined herein shall have the same meaning as in the Bond Terms.

ISIN:	NO 001 3063495
The Bond Issue:	HMH Holding B.V. 9.875% senior secured USD 275,000,000 bonds 2023/2026
Issuer:	HMH Holding B.V., a private limited liability company existing under the laws of The Netherlands, having its official seat in Amsterdam, The Netherlands, with registration number 82719322 and LEI-code 8945008FRZIYPW0VW366
Guarantors and Guarantees:	<p>The Original Guarantors and each Material Subsidiary from time to time, which at the date of this Prospectus comprise:</p> <ul style="list-style-type: none"> a) HMH Holding (Netherlands) B.V. b) MHWirth AS; c) Hydril USA Distribution LLC; d) Hydril PCB Limited; e) HMH Drilling Asia Pte. Ltd.; f) MHWirth LLC; g) MHWirth GmbH; h) MHWirth FZE; and i) MHWirth do Brasil Equipamentos Ltda. <p>The Guarantees are joint and several, unconditional and irrevocable Norwegian law guarantees and indemnities (NW.: <i>selskyldnerkausjon</i>) issued by each of the Guarantors in respect of the Secured Obligations (as defined in the Bond Terms), which includes, inter alia, all liabilities incurred by any member of the Group (including the Issuer) in connection with the Bond Terms and the related Finance Documents. The Guarantors have provided the Guarantees as independent primary obligors (NW.: <i>selvskyldnerkausjonist</i>) to the Security Agent on behalf of the Secured Parties (as such terms are defined in the Bond Terms), for the payment, discharge and punctual performance of the Secured Obligations on the Security Agent's demand for the tenor of the Bonds.</p> <p>The Guarantees from each Guarantor constitute senior obligations of the Guarantors.</p> <p>Further details of the Guarantees are set out in Section 5.9.2 (<i>Description of the Guarantees</i>).</p>
Group:	The Issuer and its Subsidiaries from time to time.
Subsidiary:	A person over which another person has Decisive Influence.

Material Subsidiary:	<p>Any Group Company which is nominated as such by the Issuer in accordance with clause 13.11 of the Bond Terms regarding nomination of material subsidiaries.</p> <p>Pursuant to clause 13.11 on nomination of material subsidiaries:</p> <p>(a) The Issuer shall in the Compliance Certificate to be delivered in connection with each of its Annual Financial Statements nominate as Material Subsidiaries:</p> <p style="padding-left: 40px;">(i) any Group Company in respect of which for at least two (2) consecutive financial quarters:</p> <p style="padding-left: 80px;">(A) its Total Assets equal or exceed 10 per cent. of Consolidated Total Assets;</p> <p style="padding-left: 80px;">(B) its revenues equal or exceed 10 per cent. of the revenues of the Group; or</p> <p style="padding-left: 80px;">(C) its Adjusted EBITDA equals or exceeds 10 per cent. of the Group's consolidated Adjusted EBITDA,</p> <p style="padding-left: 40px;">in each case, calculated on an unconsolidated basis and excluding any intra-Group items and investments in Subsidiaries; and</p> <p style="padding-left: 40px;">(ii) any other Group Company which has been designated as a Material Subsidiary by the Issuer.</p> <p>(b) Subject to the Agreed Security Principles, the Issuer shall procure that it together with the Material Subsidiaries (for this purpose, calculated for each such entity on an individual basis and not on a consolidated basis with its Subsidiaries) shall constitute at least 80 per cent. of the Consolidated Total Assets, revenues and EBITDA of the Group.</p> <p>(c) For the purpose of determining the Material Subsidiaries, Total Assets, Consolidated Total Assets, revenues and Adjusted EBITDA shall be calculated by reference to the most recent Financial Report (with any pro forma adjustments required for the calculation of the Adjusted EBITDA).</p> <p>(d) Subject to the Agreed Security Principles, the Issuer shall ensure that any new Material Subsidiary accedes as a Guarantor and that Transaction Security is granted in respect of such Material Subsidiary, in each case no later than forty (40) Business Days after its nomination pursuant to paragraph (a) of clause 13.11 of the Bond Terms.</p> <p>(e) Subject to the Agreed Security Principles, the Issuer is entitled to (in addition to the obligations set out in paragraph (a) above) to nominate Material Subsidiaries one additional time per year on the basis of the latest Interim Accounts otherwise pursuant to paragraphs (a) to (d) above, which shall apply mutatis mutandis to such additional nomination of Material Subsidiaries.</p> <p>(f) The Issuer may re-designate any entity:</p> <p style="padding-left: 40px;">(i) which is no longer obligated to be a Material Subsidiary pursuant to the above criteria, however limited to once per financial year; or</p> <p style="padding-left: 40px;">(ii) being the subject of a planned Disposal, merger or demerger permitted under the Bond Terms, ten (10) Business Days prior to such Disposal, merger or demerger,</p>
-----------------------------	--

	and in each case request the release of any Guarantee and Transaction Security provided by or in respect of such entity.
Status of the Bonds and Security:	<p>The Bonds and each other payment obligation under or in relation to the Finance Documents constitute senior secured unsubordinated obligations of the Issuer and each other Obligor. The Bonds and each other payment obligation under or in relation to the Finance Documents rank <i>pari passu</i> between themselves and at least <i>pari passu</i> with all other obligations of the Issuer and each Obligor (save for such claims which are mandatorily preferred by bankruptcy, insolvency, liquidation or other similar laws of general application). All payment obligations under or in relation to the Finance Documents rank ahead of any subordinated capital.</p> <p>The Bonds are secured on a <i>pari passu</i> basis with the other Secured Parties in respect of the Transaction Security (other than the Escrow Account Pledge and the Bond Escrow Account Pledge), subject to the super senior status of the Revolving Credit Facility and (if applicable) the Secured Hedging Obligations, as further described in the Bond Terms and the Intercreditor Agreement (as defined in the Bond Terms). The RCF Creditors and Hedge Counterparties (as defined in the Intercreditor Agreement) will receive (i) the proceeds from any enforcement of the Transaction Security (other than the Escrow Account Pledge and the Bond Escrow Account Pledge) and certain distressed disposals and (ii) any payments following any other enforcement event prior to the Bondholders (but otherwise rank <i>pari passu</i> in right of payment with the Bonds) in accordance with the waterfall provisions of the Intercreditor Agreement.</p>
Date of Bond Terms:	15 November 2023, and amended and restated on 10 February 2025
Maximum Issue amount:	USD 275,000,000
Initial Bond Issue:	USD 200,000,000
Outstanding amount:	USD 200,000,000
Tap Issue:	<p>The Issuer may, provided that the conditions set out in clause 6.4 of the Bond Terms on Tap Issues are met, at one or more occasions issue Additional Bonds until the Nominal Amount of all Additional Bonds equals in aggregate the Maximum Issue Amount less the Initial Bond Issue. Each Tap Issue will be subject to identical terms as the Bonds issued pursuant to the Initial Bond Issue in all respects as set out in the Bond Terms, except that Additional Bonds may be issued at a different price than for the Initial Bond Issue and which may be below or above the Nominal Amount. The Bond Trustee shall prepare an addendum to the Bond Terms evidencing the terms of each Tap Issue.</p> <p>If the Bonds are listed on an Exchange and there is a requirement for a new prospectus in order for the Additional Bonds to be listed together with the Bonds, the Additional Bonds may be issued under a separate ISIN. Upon the approval of the prospectus, the Issuer shall (i) notify the Bond Trustee, the Exchange and Nordic Trustee Services AS (the "Paying Agent") and (ii) ensure that the Temporary Bonds are converted into the ISIN for the Bonds.</p>
Initial nominal value of each Bond:	USD 1.00
Currency:	USD
Issue price:	100 per cent of the Initial Nominal Amount (par value).
Securities form:	The Bonds are electronically registered in dematerialized form with the CSD.

Issue Date:	16 November 2023
Interest bearing from and including:	Issue Date
Interest bearing until:	Maturity Date
Maturity Date:	16 November 2026
Details of the arrangements for the amortisation of the loan:	<p>The Outstanding Bonds will mature in full on the Maturity Date and shall be redeemed by the Issuer on the Maturity Date at a price equal to 100 per cent. of the Nominal Amount.</p> <p>For further details of the arrangements for the amortisation of the loan, see section 10 of the Bond Terms.</p>
Voluntary early or partial redemption or equity clawback	<p>Voluntary early redemption – Call Option</p> <p>(a) The Issuer may redeem all or part of the Outstanding Bonds on any Business Day from and including:</p> <ul style="list-style-type: none"> (i) the Issue Date to, but not including, the First Call Date at a price equal to the Make Whole Amount; (ii) the First Call Date to, but not including, the Interest Payment Date in November 2025 at a price equal to 104.938 per cent. of the Nominal Amount for each redeemed Bond; (iii) the Interest Payment Date in November 2025 to, but not including, the Interest Payment Date in May 2026 at a price equal to 103.292 per cent. of the Nominal Amount for each redeemed Bond; and (iv) the Interest Payment Date in May 2026 to, but not including, the Maturity Date at a price equal to 100.500 per cent. of the Nominal Amount for each redeemed Bond. <p>(b) Any redemption of Bonds pursuant to paragraph (a) above shall be determined based upon the redemption prices applicable on the Call Option Repayment Date.</p> <p>(c) The Call Option may be exercised by the Issuer by written notice to the Bond Trustee at least ten (10) Business Days prior to the proposed Call Option Repayment Date. Such notice sent by the Issuer is irrevocable and shall specify the Call Option Repayment Date, but may, at the Issuer's discretion, be subject to the satisfaction of certain conditions precedent, to be satisfied or waived no later than three (3) Business Days prior to the Call Option Repayment Date. If such conditions precedent have not been lifted by that date, the call notice shall be null and void. Unless the Make Whole Amount is set out in the written notice where the Issuer exercises the Call Option, the Issuer shall calculate the Make Whole Amount and provide such calculation by written notice to the Bond Trustee as soon as possible and at the latest within three (3) Business Days from the date of the notice.</p> <p>(d) Any Call Option exercised in part will be used for pro rata payment to the Bondholders in accordance with the applicable regulations of the CSD.</p> <p>Early redemption – Equity Clawback</p> <p>(a) The Issuer may at any time from the Issue Date to, but excluding the First Call Date use the net cash proceeds received by the Group from an Equity Offering to redeem Bonds in an aggregate nominal amount not exceeding 35</p>

	<p>per cent. of the Outstanding Bonds at a price equal to the First Call Price for each redeemed Bond.</p> <p>(b) The Equity Clawback may be exercised by the Issuer by written notice to the Bond Trustee at least ten (10) Business Days prior to the proposed repayment date.</p> <p>(c) Any redemption of Bonds pursuant to an Equity Clawback shall be applied pro rata between the Bondholders in accordance with the procedures of the CSD.</p>
Interest:	<p>Each Outstanding Bond accrues interest at the Interest Rate on the Nominal Amount for each Interest Period, commencing on and including the first date of the Interest Period, and ending on but excluding the last date of the Interest Period.</p> <p>(b) Any Additional Bond accrues interest at the Interest Rate on the Nominal Amount commencing on the first date of the Interest Period in which the Additional Bonds are issued and thereafter in accordance with paragraph (a) above.</p> <p>(c) Interest is calculated on the basis of a 360-day year comprised of twelve months of 30 days each (30/360-days basis), unless:</p> <p style="padding-left: 40px;">(i) the last day in the relevant Interest Period is the 31st calendar day but the first day of that Interest Period is a day other than the 30th or the 31st day of a month, in which case the month that includes that last day shall not be shortened to a 30-day month; or</p> <p style="padding-left: 40px;">(ii) the last day of the relevant Interest Period is the last calendar day in February, in which case February shall not be lengthened to a 30-day month.</p>
Interest Rate:	9.875 per cent per annum.
Yield:	Investors wishing to invest in the Bonds after the Issue Date must pay the market price for the Bonds in the secondary market at the time of purchase. Depending on the development in the bond market in general and the development of the Issuer, the price of the Bonds may have increased (above par) or decreased (below par).
Interest Payment Dates:	The last day of each Interest Period.
Interest Period:	Interest Period means, subject to adjustment in accordance with the Business Day Convention, the period between 16 May and 16 November each year, provided however that an Interest Period shall not extend beyond the Maturity Date.
First Interest Payment Date:	16 May 2024
Calculation and payment of interest:	<p>Calculation of interest</p> <p>(a) Each Outstanding Bond accrues interest at the Interest Rate on the Nominal Amount for each Interest Period, commencing on and including the first date of the Interest Period, and ending on but excluding the last date of the Interest Period.</p> <p>(b) Any Additional Bond accrues interest at the Interest Rate on the Nominal Amount commencing on the first date of the Interest Period in which the</p>

	<p>Additional Bonds are issued and thereafter in accordance with paragraph (a) above.</p> <p>(c) Interest is be calculated on the basis of a 360-day year comprised of twelve months of 30 days each (30/360-days basis), unless:</p> <p>(i) the last day in the relevant Interest Period is the 31st calendar day but the first day of that Interest Period is a day other than the 30th or the 31st day of a month, in which case the month that includes that last day shall not be shortened to a 30-day month; or</p> <p>(ii) the last day of the relevant Interest Period is the last calendar day in February, in which case February shall not be lengthened to a 30-day month.</p> <p>Payment of interest</p> <p>Interest falls due on each Interest Payment Date for the corresponding preceding Interest Period and, with respect to accrued interest on the principal amount then due and payable, on each Repayment Date.</p>
Business Day:	A day on which both the relevant CSD settlement system and the relevant settlement system for the Bond Currency are open.
Business Day Convention:	If the last day of any Interest Period originally falls on a day that is not a Business Day, no adjustment will be made to the Interest Period.
Time limit on the validity of claims relating to interest and repayment of principal:	All claims under the Finance Documents for payment, including interest and principal, shall be subject to the time-bar provisions of the Norwegian Act of 18 May 1979 no. 18 relating to the limitation period for claims (currently being 3 years for interest rates and 10 years for principal).
Put Option:	<p>Put Option</p> <p>Upon the occurrence of a Put Option Event, each Bondholder have the right to require that the Issuer purchases all or some of the Bonds held by that Bondholder at a price equal to 101 per cent. of the Nominal Amount.</p> <p>The Put Option must be exercised within fifteen (15) Business Days after the Issuer has given notice to the Bond Trustee and the Bondholders that a Put Option Event has occurred pursuant to clause 12.3 of the Bond Terms. Once notified, the Bondholders' right to exercise the Put Option is irrevocable.</p> <p>Each Bondholder may exercise its Put Option by written notice to its account manager for the CSD, who will notify the Paying Agent of the exercise of the Put Option. The Put Option Repayment Date will be the fifth (5th) Business Day after the end of fifteen (15) Business Days exercise period referred to in paragraph (b) above. However, the settlement of the Put Option will be based on each Bondholders holding of Bonds at the Put Option Repayment Date. (d) If Bonds representing more than 90 per cent. of the Outstanding Bonds have been repurchased pursuant to clause 10.3 of the Bond Terms, the Issuer is entitled to repurchase all the remaining Outstanding Bonds at the price stated in paragraph (a) above by notifying the remaining Bondholders of its intention to do so no later than ten (10) Business Days after the Put Option Repayment Date. Such notice sent by the Issuer is irrevocable and shall specify the Call Option Repayment Date.</p> <p>Mandatory repurchase due to a Material Asset Sale</p> <p>(a) Upon the occurrence of a Material Asset Sale, each Bondholder have a right to require that the Issuer repurchases the relevant Bondholder's Bonds</p>

	<p>at a price of 100.00 per cent. of the Nominal Amount of the repurchased Bonds for an amount up to the Asset Sale Put Option Amount.</p> <p>(b) The Asset Sale Put Option must be exercised within fifteen (15) Business Days after the Issuer has given notice to the Bond Trustee and the Bondholders that a Material Asset Sale has occurred pursuant to clause 12.4 of the Bond Terms. Once notified, the Bondholders' right to exercise the Asset Sale Put Option is irrevocable.</p> <p>(c) Each Bondholder may exercise its Asset Sale Put Option by written notice to its account manager for the CSD, who will notify the Paying Agent of the exercise of the Asset Sale Put Option. The Asset Sale Put Option Repayment Date will be the fifth (5th) Business Day after the end of fifteen (15) Business Days exercise period referred to in paragraph (b) above. However, the settlement of the Asset Sale Put Option will be based on each Bondholders holding of Bonds at the Asset Sale Put Option Repayment Date.</p> <p>(d) Any redemption of Bonds pursuant to an Asset Sale Put Option shall be applied pro rata between the Bondholders.</p> <p>(e) For the avoidance of doubt, the Issuer will only be obligated to purchase Bonds pursuant to this clause up to a maximum amount equal to the Asset Sale Put Option Amount irrespective of how many bondholders exercise the Asset Sale Put Option.</p> <p>Early redemption option due to a tax event</p> <p>If the Issuer is or will be required to gross up any withheld tax imposed by law from any payment in respect of the Bonds under the Finance Documents pursuant to Clause 8.4 of the Bond Terms as a result of a change in applicable law implemented after the date of the Bond Terms, the Issuer has the right to redeem all, but not only some, of the Outstanding Bonds at a price equal to 100 per cent. of the Nominal Amount. The Issuer shall give written notice of such redemption to the Bond Trustee and the Bondholders at least twenty (20) Business Days prior to the Tax Event Repayment Date, provided that no such notice shall be given earlier than forty (40) Business Days prior to the earliest date on which the Issuer would be obliged to withhold such tax were a payment in respect of the Bonds then due.</p>
Put Option Event:	<p>A Change of Control Event or a Share De-Listing Event.</p> <p>"Change of Control Event" has the meaning as described in the table below.</p> <p>"Share De-Listing Event" means, after the completion of an IPO, if the shares of the Issuer or Listco cease to be listed on an Exchange.</p>
Put Option Repayment Date:	<p>The Put Option Repayment Date is the fifth (5th) Business Day after the end of fifteen (15) Business Days exercise period referred to in section 10.3 paragraph (b) of the Bond Terms. However, the settlement of the Put Option will be based on each Bondholders holding of Bonds at the Put Option Repayment Date.</p>
Change of Control Event:	<p>Prior to an IPO, a Change of Control Event means any event where the Parent Entities (defined as Parent Entity under that definition), either collectively or individually cease to (i) control more than fifty (50.00) per cent. of the voting rights of the Issuer and (ii) maintain board control through majority representation; and</p> <p>Following an IPO, a Change of Control Event means any person or group of persons, other than the Parent Entities, acting in concert owns or controls (directly or indirectly), beneficially or of record, more than fifty (50.00) per cent.</p>

	of the shares or the voting rights in Listco; or (ii) Listco ceases to own all of the voting rights in the Issuer.
Covenants:	<p>General and financial covenants apply to the Issuer.</p> <p>The Issuer shall, on a consolidated basis, comply with the following financial covenants:</p> <ul style="list-style-type: none"> (i) Liquidity not to be less than USD 30,000,000. (ii) Gearing Ratio not to exceed 1.00:1.00. (iii) Interest Cover Ratio not to be less than 2.50:1.00. <p>See clauses 12 (<i>Information undertakings</i>) and 13 (<i>General and financial undertakings</i>) of the Bond Terms for more information.</p>
Admission to listing:	<p>The Issuer shall ensure that the Bonds are listed on an Exchange within nine (9) months of the Issue Date, <i>i.e.</i> 15 August 2024, and thereafter remain listed on an Exchange until the Bonds have been redeemed in full. If the Bonds are not listed by 15 August 2024, the Issuer incurs additional interest of 1% per annum until the Bonds are listed.</p> <p>The Issuer shall ensure that any Temporary Bonds are listed on the Exchange where the other Bonds are listed within six (6) months of the issue date for such Temporary Bonds.</p>
Use of proceeds:	<p>The Issuer has and will use the Net Proceeds from the Initial Bond Issue as follows:</p> <ul style="list-style-type: none"> (i) first, towards repayment in full of both the Existing Bank Debt and the Existing Bond Issue; and (ii) any remaining amount, for general corporate purposes. <p>The Issuer will use the Net Proceeds from the issuance of any Additional Bonds for general corporate purposes of the Group (if not otherwise stated).</p>
Bond Terms:	<p>Means the terms and conditions, including all Attachments which form an integrated part of the Bond Terms, in each case as amended and/or supplemented from time to time, entered into by the Issuer and the Bond Trustee in respect of the Bond Issue.</p> <p>The Bondholders shall be bound by the terms and conditions of the Bond Terms and any other Finance Document without any further action required to be taken or formalities complied with by the Bond Trustee, the Bondholders, the Issuer or any other party.</p> <p>The Bond Trustee acts as the representative of all the Bondholders, monitoring the Issuer's performance of obligations pursuant to the Bond Terms, supervising the timely and correct payment of principal or interest, arranging Bondholders' meetings, and taking action on behalf of all the Bondholders as and if required.</p> <p>For further details of the Bond Trustee's role and authority as the Bondholders' representative, see clause 16 of the Bond Terms.</p> <p>Information regarding Bondholders' meeting and the Bondholders' right to vote are described in clause 15 of the Bond Terms.</p>

Finance Documents:	The Bond Terms, the Bond Trustee Fee Agreement, the Intercreditor Agreement, any Transaction Security Document and any other document designated by the Issuer and the Bond Trustee as a Finance Document.
Bondholders' Meeting:	<p>At the Bondholders' Meeting each Bondholder (or person acting for a Bondholder under a power of attorney) has one vote for each Bond he/she owns. The Issuer's Bonds shall not carry any voting rights.</p> <p>At least 50% of the Voting Bonds must be represented at a Bondholders' Meeting for a quorum to be present.</p> <p>Resolutions shall be passed with a simple majority of the Voting Bonds represented at the Bondholders' Meeting, except as set forth below.</p> <p>In the following matter, approval of at least 2/3 of the Voting Bonds represented at the Bondholders' Meeting is required: Save for any amendments or waivers which can be made without resolution pursuant to paragraph (a) (i) and (ii) of clause 17.1 (<i>Procedure for amendments and waivers</i>), a majority of at least 2/3 of the Voting Bonds represented at the Bondholders' Meeting is required for approval of any waiver or amendment of the Bond Terms.</p> <p>For further details of the Bondholders' Meeting's authority, procedures, voting rules and written resolutions, see clause 15 of the Bond Terms and Section 4.2 (<i>Bondholders rights</i>) below.</p>
Bond Trustee:	<p>Nordic Trustee AS, a company existing under the laws of Norway with registration number 963 342 624 and LEI-code 549300XAKTM2BMKIPT85.</p> <p>The Bond Trustee is the representative of the Bondholders and the provisions governing the appointment, rights and obligations of the Bond Trustee are found in the Bond Terms.</p>
Manager for the Bond Issue:	Arctic Securities AS, DNB Markets, a part of DNB Bank ASA, Nordea Bank Abp, filial i Norge and Pareto Securities AS.
Paying Agent:	Nordic Trustee Services AS, as appointed by the Issuer to act as its paying agent with respect to the Bonds in the CSD.
Transfer of Bonds:	<p>Restrictions</p> <p>(a) Subject to the restrictions set forth in clause 11 (Purchase and Transfer of Bonds) of the Bond Terms, the Bonds are freely transferable and may be pledged.</p> <p>(b) Certain purchase or selling restrictions may apply to Bondholders under applicable local laws and regulations from time to time. Neither the Issuer nor the Bond Trustee are responsible for ensuring compliance with such laws and regulations and each Bondholder is responsible for ensuring compliance with the relevant laws and regulations at its own cost and expense.</p> <p>(c) A Bondholder who has purchased Bonds in breach of applicable restrictions may, notwithstanding such breach, benefit from the rights attached to the Bonds pursuant to the Bond Terms (including, but not limited to, voting rights), provided that the Issuer shall not incur any additional liability by complying with its obligations to such Bondholder.</p>
Legislation under which the Bonds have been created:	Norwegian law.

Fees and expenses:	Any public fees levied on the trade of Bonds in the secondary market shall be paid by the Bondholders, unless otherwise provided by law or regulation, and the Issuer is not responsible for reimbursing any such fees.
---------------------------	---

4.2 Bondholders rights

The rights attached to the Bonds are set out in the Bond Terms, which is enclosed as Appendix 2 to the Prospectus. Below is a summary of principal rights and competencies.

4.2.1 Bondholders' meetings

The Bondholders' meeting is the highest authority in the Bondholders' community. The Bondholders' meeting may on behalf of the Bondholders resolve to alter any of the Bond Terms, including but not limited to, any reduction of principal or interest and any conversion of the Bonds into other capital classes. The Bondholders' meeting cannot resolve that any overdue payment of any instalment shall be reduced unless there is a pro-rata reduction of the principal that has not fallen due, but may resolve that accrued interest (whether overdue or not) shall be reduced without a corresponding reduction of principal. The Bondholders' meeting cannot adopt resolutions that will give certain Bondholders an unreasonable advantage at the expense of other Bondholders.

Subject to the power of the Bond Trustee to take certain actions, if a Bondholders' resolution or approval is required, such resolution may be passed at a Bondholders' meeting. Resolutions passed at any Bondholders' meeting will be binding upon all Bondholders.

Bondholders' meetings are convened by the Bond Trustee upon a written request from the Issuer, Bondholders representing at least 1/10 of the voting Bonds, the Oslo Stock Exchange, or the Bond Trustee, specifying the matters to be discussed and resolved. The Bond Trustee shall convene Bondholders' meetings within ten trading days of receiving a valid request. Summons to a Bondholders' Meeting must be sent no later than ten (10) Business Days prior to the proposed date of the Bondholders' Meeting. The Summons shall be sent to all Bondholders registered in the CSD at the time the Summons is sent from the CSD. If the Bonds are listed, the Issuer shall ensure that the Summons is published in accordance with the applicable regulations of the Exchange. The Summons shall also be published on the website of the Bond Trustee (alternatively by press release or other relevant information platform). Any Summons for a Bondholders' Meeting must clearly state the agenda for the Bondholders' Meeting and the matters to be resolved. The Bond Trustee may include additional agenda items to those requested by the person calling for the Bondholders' Meeting in the Summons. If the Summons contains proposed amendments to the Bond Terms, a description of the proposed amendments must be set out in the Summons. Items which have not been included in the Summons may not be put to a vote at the Bondholders' Meeting.

By written notice to the Issuer, the Bond Trustee may prohibit the Issuer from acquiring or dispose of Bonds during the period from the date of the Summons until the date of the Bondholders' Meeting, unless the acquisition of Bonds is made by the Issuer pursuant to clause 10 (Redemption and Repurchase of Bonds).

The Issuer shall bear the costs and expenses incurred in connection with convening a Bondholders' meeting, regardless of who has convened the meeting.

At least 50% of the voting Bonds must be represented at a Bondholders' meeting for a quorum to be present. Each bondholder, the Bond Trustee and representatives of the Oslo Stock Exchange, or any person or persons acting under a power of attorney for a Bondholder shall have the right to attend the Bondholders' meeting. In addition, each person entitled to attend the meeting has the right to be accompanied by an advisor.

Even if the necessary quorum is not achieved, the Bondholders' meeting shall be held and voting completed for the purpose of recording the voting results in the minutes of the Bondholders' meeting. The Bond Trustee or the person

who convened the initial Bondholders' meeting may, within ten trading days of the initial meeting, convene a repeated meeting with the same agenda as the first meeting, in accordance with the same procedures as the initial meeting, with the exception that the quorum requirements set out in paragraph (e) of Clause 15.1 (Authority of the Bondholders' Meeting) shall not apply to a repeated Bondholders' Meeting. A Summons for a repeated Bondholders' Meeting shall also contain the voting results obtained in the initial Bondholders' Meeting. Such a repeated Bondholders' meeting may only be convened once for each original Bondholders' meeting.

4.2.2 Voting rights

Each Bond carries one vote. In order to exercise voting rights, the Bondholder must be the registered owner of the Bonds at the relevant record date, being the trading day immediately preceding the date of the respective Bondholders' decision. If the beneficial owner of a Bond is not registered as a Bondholder in the CSD and wishes to exercise his or her rights as a Bondholder, he or she must obtain proof of ownership of the Bonds acceptable to the Bond Trustee.

Ordinary resolutions are passed by a simple majority of the voting Bonds represented at the Bondholders' meeting. Any amendments or waivers of the Bond Terms require a majority of at least two-thirds of the voting Bonds represented at the Bondholders' meeting for approval, save for such amendments or waivers which can be made without resolution pursuant to paragraph (a) section (i) and (ii) of clause 17.1 of the Bond Terms.

4.2.3 Written Bondholders' resolutions

Subject to the Bond Terms, matters that may be resolved by the Bondholders' meeting may also be resolved by way of a written resolution if passed with the relevant majority. The person requesting a Bondholders' meeting may instead request that the relevant matters are to be resolved by written resolution unless the Bond Trustee decides otherwise.

Summons for written resolutions shall be sent to the Bondholders registered in the CSD at the time the Summons is sent from the CSD and published at the Bond Trustee's web site, or other relevant electronic platform or via press release. The summons for written resolutions shall include instructions on how to vote for each separate item, and the time limit within which the Bond Trustee must have received all votes necessary in order for the written resolution to be passed with the requisite majority, being no less than ten and no more than 15 trading days from the date of the summons. Otherwise, unless conflicting, written resolutions are subject to the same procedures as Bondholders' meetings in respect of Bondholders' authority, quorums, voting rules, and repeated resolutions.

Only Bondholders of voting Bonds registered with the CSD on the relevant record date, or the beneficial owner thereof having presented relevant evidence to the Bond Trustee, will be counted in the written resolution.

4.3 Reasons for the Listing

This Prospectus is being produced in connection with the Issuer's application for the admission to trading of the Bonds on Oslo Stock Exchange.

The application for admission to trading is made by the Issuer to satisfy the conditions of the Bond Terms. Pursuant to Section 4 of the Bond Terms (*Admission to listing*), the Issuer shall ensure that the Bonds are listed on an Exchange (as defined in the Bond Terms) within nine (9) months of the Issue Date, i.e., 15 August 2024, and thereafter remain listed on an Exchange until the Bonds have been redeemed in full. As of 15 August 2024, the Issuer incurs additional interest of 1% per annum until the Bonds are listed on the Oslo Stock Exchange.

The Issuer shall ensure that any Temporary Bonds are listed on the Exchange where the other Bonds are listed within six (6) months of the issue date for such Temporary Bonds.

The Issuer will apply for the Bonds to be listed and admitted to trading on the Oslo Stock Exchange on 11 June 2025 as soon as possible after (i) this Prospectus has been approved by the AFM and (ii) the AFM has notified its approval in accordance with article 25(1) of the EU Prospectus Regulation to the NFSA and ESMA. Approval of the application and commencement of trading in the Bonds is expected to take place on or about 12 June 2025, subject to fulfillment of any criteria set by the Oslo Stock Exchange.

Following the Listing, the Bonds will be admitted to trading on the Oslo Stock Exchange, under the ticker code "HMH02".

4.4 Tax warning

Potential investors should be aware that changes in the tax legislation of the investors' and of the Issuer's country of incorporation may have an impact on the income received from the Bonds. There can be changes in the applicable tax legislation, increased taxation by national, local or foreign authorities, new or modified taxation rules and requirements, including requirements relating to the timing of any tax payments, which may have an impact on the on the income received from the Bonds.

4.5 No credit ratings

There are no credit ratings assigned to the Issuer at the request of the Issuer or with the cooperation of the Issuer in the rating process.

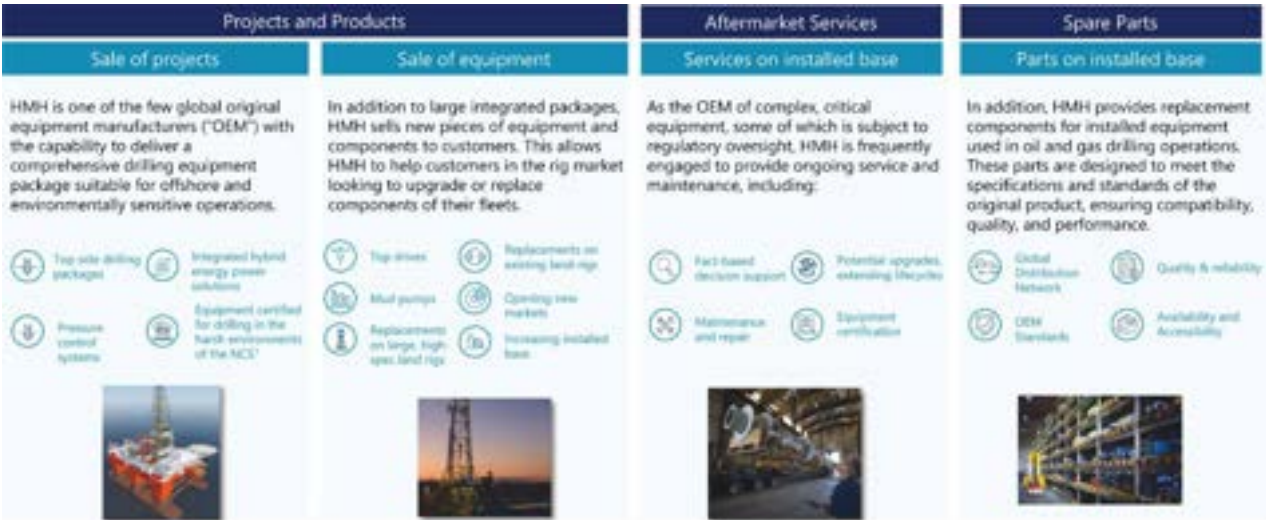
5 BUSINESS OF THE GROUP

5.1 Introduction and business overview

HMH is a provider of highly engineered, mission-critical equipment solutions, providing customers with a comprehensive portfolio of drilling equipment, services and systems utilized in oil and gas drilling operations, both offshore and onshore. With a global reach, technical expertise and innovative product offerings, coupled with integrated operations from manufacturing to aftermarket services, HMH provides customers with high-quality technology, engineering and project management services through the entire asset lifecycle of the equipment HMH provides. In addition, HMH's portfolio of products and services to adjacent industries, such as mining. HMH believes that the complexity and criticality of HMH's installed equipment drive customers to choose HMH for their aftermarket support, particularly in the offshore environment, which is subject to extensive regulation. Approximately 75% of HMH's installed base of equipment serves the offshore drilling market; given the complexities of offshore equipment, even in situations where the original equipment manufacturer ("**OEM**") is not mandated to perform the service, it is uncommon for a customer to engage a third party to perform the work. The Group leverages its global operating footprint and supply chain to deliver this service to its customers in a timely and cost-effective manner. For example, on average, the Group provides recurring aftermarket services on its installed blowout preventers ("**BOP**") for over 25 years, which includes recertification every five years, regular monitoring and maintenance on an as-needed basis.

HMH's comprehensive portfolio of offerings, supported by integrated delivery capabilities and broad range of applications, enables us to address a full range of customer priorities. HMH's offerings are broadly categorized as:

- **Sales of projects and products.** This includes (i) comprehensive drilling equipment packages containing a full suite of components needed for a newbuild or reactivated drilling rig and (ii) individual or grouped components of drilling and pressure control equipment that facilitate customers maintaining and upgrading their existing fleet. During the year ended 31 December 2024, the Group derived 27.2% of its revenue from sales of projects and products.
- **Aftermarket services.** This includes services and replacement parts on installed equipment and integrated digital solutions. Aftermarket services facilitate customers maintaining and improving the lifespan, safety and efficiency of their existing drilling rig fleets. During the year ended 31 December 2024, the Group derived 43.4% of its revenue from aftermarket services.
- **Sales of spare parts.** This includes replacement parts for installed equipment used in oil and gas drilling operations. During the year ended 31 December 2024, the Group derived 29.4% of its revenue from sales of spare parts.



¹ NCS means Norwegian Continental Shelf

Approximately 75% of HMM's installed base of equipment serves the offshore drilling market, which is more highly regulated, more demanding and more technologically sophisticated than is typically encountered in the onshore market. As a result, offshore operators require highly engineered equipment and technical support services to keep their operations running safely, efficiently and productively. HMM believes that the Group is well-positioned to continue supporting and building its presence in the offshore drilling market as a result of its full, integrated suite of mission-critical drilling solutions, highly technical expertise, aftermarket services offerings and long experience providing and maintaining equipment in this industry.

HMM is a global company, with locations in 16 countries and sales in over 90 countries in 2024. HMM is headquartered in Amsterdam, the Netherlands, with two major operational centers located close to key offshore areas in Houston, Texas, USA, and Kristiansand, Norway. In addition to sales offices and direct sales efforts, the Group incorporates distributors and manufacturing sales representatives into its sales and marketing channels in certain limited locations to market its various offerings.

LARGE SCALABLE GEOGRAPHICAL FOOTPRINT

- Crucial customer proximity, providing best in class services -



The Group sells equipment and services to three core customer categories across the markets served: (i) drilling contractors; (ii) operators, including both oil and gas E&P companies and mining companies onshore and offshore; and (iii) manufacturers, consisting of shipyards and manufacturers of capital equipment. In addition to providing a range of equipment, spare parts, recurring aftermarket services and digital solutions to the onshore and offshore oil and gas drilling industry, the Group provides equipment and services to the onshore and subsea mining industry. Over its 125-year history, the Group believe it has developed trusted relationships with its customers and a strong reputation across industries with recognizable brand names, such as Hydril, VetcoGray, Wirth and Maritime Hydraulics.

Health, safety, security and environment ("**HSSE**") is a key component of HMH's organizational culture, and the Group strives to cultivate an HSSE-focused mindset among employees and in connection with its activities. HMH employees are expected to advance the Group's corporate HSSE values and principles, including caring for the environment and prioritizing the safety and well-being of employees and other stakeholders.

HMH applies an asset-light business model through the leveraging of its existing operating footprint and OEM business model and is believed to be well positioned to grow and scale its business with low incremental investment and capital expenditures.

5.2 History and brands

The Issuer, HMH Holding B.V. was incorporated on 28 April 2021 (at that time named: MHH Holding B.V.), in conjunction with the combination of Baker Hughes's Subsea Drilling Systems pressure control business and Akastor ASA's MHWirth drilling equipment business. As of the date of this Prospectus, 50% of the Issuer's ordinary shares are held by Baker Hughes, and 50% of the ordinary shares are held by Akastor ASA, with 25% held through its wholly owned subsidiary Akastor AS and 25% held through its wholly owned subsidiary Mercury HoldCo Inc.

Baker Hughes is an energy technology company with a diversified portfolio of technologies and services that span the energy and industrial value chain. Akastor ASA is a Norway-based oil services investment company with a portfolio of industrial and financial holdings.

Together with the Group's traditional business lines, the Group is embracing new opportunities in adjacent industries, including subsea mining. The Group approaches all industries with a commitment to quality, safety and value. In even the most demanding environments, it strives to deliver value-adding products and services.

Although the HMM trade name was created in connection with the formation of HMM Holding B.V. in 2021, many of HMM's product lines have been associated with the manufacture of highly engineered, mission-critical equipment for the oil and gas drilling industry for decades, and in the case of Wirth, for more than 125 years. Building on a legacy of historical brands, and with an eye towards innovation, HMM has created a comprehensive portfolio of products, systems and services for offshore and onshore drilling, subsea and onshore mining and certain large and complex construction applications. HMM seeks to continue to build on its legacy of historical brands such as Maritime Hydraulics, Wirth and Hydril, among others, to innovate in different segments and expand on its existing portfolio. See Section 5.4 (*Products and services*) and Section 5.7 (*Research and development*).

Many of the product lines have been in existence for decades, providing opportunities to pursue improvements and innovations as the Group's customers grow and undertake new challenges. As an example, Wirth developed its first mud pump in 1905, and since then has continuously worked to improve the portfolio of mud pump designs. Wirth was also among the earliest innovators and manufacturers of pile top drill rigs and reverse circulation drilling. Hydril Company, a name derived from the term "Hydraulic Drilling Equipment," was formed in 1933. During that decade, it produced the first hydraulically BOPs. Wirth reached another milestone when it began delivering draw works and pyramid masts and substructures for onshore rigs in 1950.

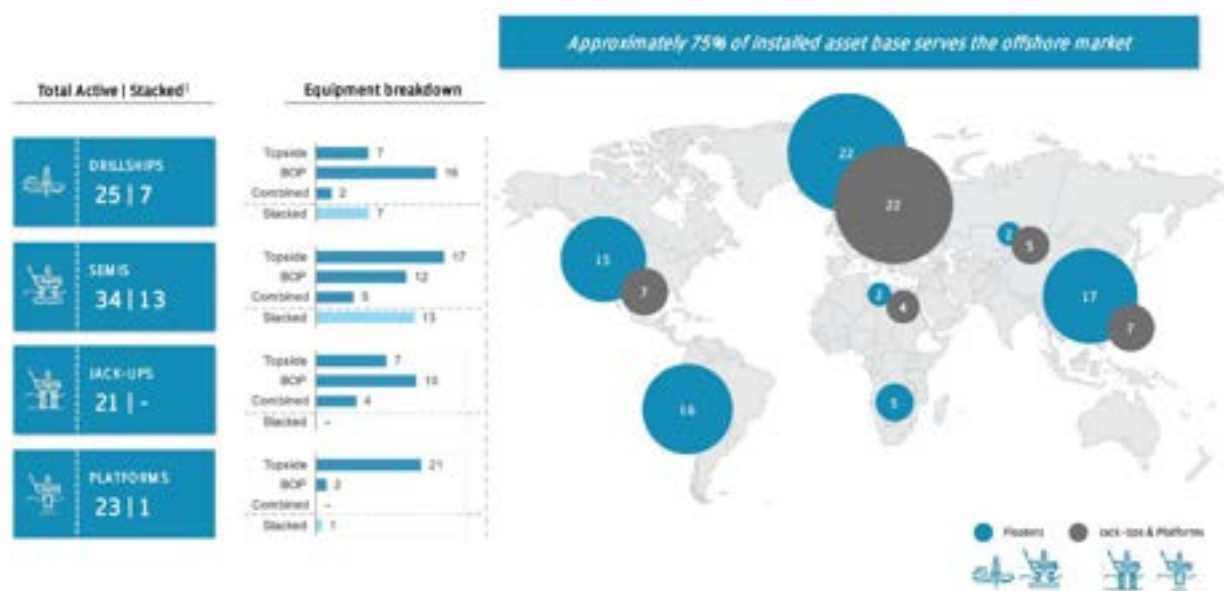
Maritime Hydraulics, which was established in 1968, launched the drilling industry in Kristiansand, Norway in support of Norway's development of offshore oil production in the early 1970s. In the 1980s, Maritime Hydraulics built its first top drives, of which nearly 400 units have been delivered. In addition to the draw works portfolio, the RamRig™, a highly efficient compensating system for semisubmersible and drillship operations, was launched in 1996 and won the Innovation Award from the ONS Foundation in 1996.

The long history of the Group's recognizable brands enables HMM to pursue research and development ("R&D") efforts to innovate existing product and service offerings for its customers, such as the fully electric BOP in development that the Group believes is the first of its kind and will pave the way for safer, more efficient and environmentally sustainable drilling operations. As compared to traditional hydraulic systems, a fully electric BOP minimizes downtime and reduces maintenance costs by providing active monitoring, real-time data and remote-control capabilities. The Group is also developing several other innovative technologies and solutions, such as a newly designed rotating control device for managed pressure drilling and enhanced pressure assisted shearing for BOPs. Please refer to Section 5.7 (*Research and development*) for further information about the Group's R&D Efforts.

5.3 Global footprint and large installed base

The Group has a large, scalable and geographically diverse footprint with crucial customer proximity. Across the Group's presence in 16 countries, it operates 34 physical locations and delivered sales in over 90 countries in 2024. There are over 1,100 installations with the Group's equipment globally. The Group's equipment offerings can be utilized in both offshore and onshore drilling markets, and it maintains locations near strategically important offshore drilling regions, including the Gulf of Mexico, the North Sea, South America, West Africa and the Middle East.

Approximately 75% of the Group's installed base serves the offshore market. The Group has delivered mission-critical rig equipment packages (defined as two or more integrated systems), either pressure control systems, topside equipment or a full suite of products, to 124 offshore drilling rigs and platforms. Offshore rigs with the Group's equipment packages operate primarily in international markets, including 22 floaters in the North Sea and Europe, 17 in Asia, 16 in Central and South America, 15 in North America and nine in Africa and the Middle East. Jack-ups and platform rigs with the Group's installed base also operate primarily in international markets, including 22 in the North Sea and Europe, nine in Africa and the Middle East, seven in North America and seven in Asia.



Source: Company information as of January 2025

The Group's operations are heavily focused on aftermarket services and sales of spare parts, which accounted for 43.4% and 29.4%, respectively, of its revenue during the year ended 31 December 2024. A substantial majority of the Group revenues from aftermarket services and sales of spare parts are derived from the offshore oil and gas industry. The Group believes that it has the ability to generate resilient and recurring revenues from aftermarket services and sales of spare parts as a direct result of its current and growing base of equipment installations globally. Given the complexities of offshore equipment, even in situations where the OEM is not mandated to perform the service, it is uncommon for a customer to engage a third party to perform the work. HMM leverages the Group's global operating footprint and supply chain to deliver this service to its customers in a timely and cost-effective manner. The Group is able to partner with customers to deliver equipment sales, spare parts sales and aftermarket services through the entire operating life of a rig to provide the performance, efficiency and safety they have come to expect. Such partnership is exemplified by the Group's contractual service agreements with customers, which are long-term agreements under which the Group provides a tailored, unique solution to its customers' aftermarket service needs for between five and ten years after initial installation. For example, on average, the Group provides recurring aftermarket services on its installed BOPs for over 25 years, which includes recertification every five years, regular monitoring and maintenance on an as-needed basis. Increased drilling activity and wear-and-tear across the Group's large installed base will continue to drive increased revenue from aftermarket services and sales of spare parts.

To effectively service the Group's customers, it utilizes its international presence, its global supply chain capabilities and a network supported by a broad and diverse supplier base that works seamlessly with its technical teams. The Group's global supply chain initiates and drives innovation and cost reductions by establishing long-term partnerships with qualified suppliers and optimizing inventory.

5.4 Products and services

5.4.1 Products

HMH provides a broad suite of mission-critical, highly engineered equipment to the global oil and gas drilling and mining industries. The equipment generally falls under two broad categories: (i) pressure control systems, including BOPs, and (ii) topside equipment, which is comprised of hoisting and rotating systems and drilling (mud) circulating systems. HMH has also developed a comprehensive suite of digital solutions that are integrated with, and augment the functionality of, many of the products provided, as further described in Section 5.4.3 (*Digital innovation*).

Pressure Control Systems		Topside Equipment					
		Hoisting and Rotating Systems			Drilling (Mud) Circulating Systems		
Full suite of supporting control systems and digital applications							
Aftermarket Support and Services							
Illustrative Equipment Type							
Blowout Preventer ("BOP")	BOP Controls	Subsea Risers	Top Drive	Iron Roughneck & Pipe Handling	Derrick & Drawworks	Mud Pumps & Slurry Pumps	Mud Mixing and Control Systems
Description							
The BOP is the piece of equipment which is designed to seal the wellbore in the event of a well control. BOPs are subject to significant regulatory requirements, necessitating incumbent OEMs like HMH.	Given the criticality of the BOP, the control systems monitor, activate and test the BOP. In the event of an issue, the control system will activate the BOP by either: (i) a signal sent by the operator, (ii) a loss of signal from surface, or (iii) manual activation by an ROV.	The subsea riser is a previously buoyant pipe that the drilling runs through and provides a connection between the rig and the BOP / wellhead and transports hydraulic, choke and kill fluid lines.	The top drive sits within the derrick and applies rotation / torque to the drillstring during drilling operations. HMH has a longstanding history of providing high-spec, highly reliable top drives and is used by most global drilling contractors.	The iron roughneck is used to make (and break) connections in the drillstring, removing personnel from a very dangerous step in the process. The increased drilling cadence in both onshore and offshore makes the iron roughneck a key service item.	The derrick and drawworks are the weight bearing components of the rig which provide the lifting capacity to the rig.	Mud pumps are utilized to circulate drilling fluid (mud), which is critical as the fluid provides hole cleaning, friction reduction and control during drilling. As wellbores are increasingly complex and longer, operators require higher horsepower mud pumps to circulate fluid.	The drilling fluid needs to be carefully monitored to ensure proper weighting to avoid either the loss of well control (underweight) or loss of fluid (overweight).
Application							

Pressure control systems

HMH's pressure control systems are critical pieces of safety equipment that are integral for the safe operation of oil and drilling rigs. HMH provides the following primary pieces of equipment under its pressure control systems:

- **Blowout Preventers.** The BOP is a series of valves designed to either shear the drillstring or close around the drillstring (via pipe rams in a ram BOP or by an annular BOP) to stop the uncontrolled flow of hydrocarbons from the wellbore. BOPs can either be placed on the seabed (a subsea BOP) or at surface as is commonly done in offshore jack-ups and onshore rigs.
- **BOP Control Systems.** Given the criticality of the BOP, the control systems monitor, activate and test the BOPs. In the event of an issue, the control system will activate the BOP by either: (i) a signal sent by an operator, (ii) a loss of signal from surface or (iii) manual activation by a remotely operated vehicle.
- **Drilling Risers.** The subsea riser is a buoyant pipe that the drillstring runs through and provides a conduit between the rig and the BOP or wellhead to transport drilling mud, as well as providing additional pipes that function as hydraulic fluid supply and choke and kill fluid lines.
- **Wellhead Connectors.** The Group's H-4 type wellhead connectors are the industry leader in performance ratings and installed base. These devices connect a subsea BOP stack to the wellhead and are used on other OEMs' BOP stacks.

Topside equipment

HMH's highly engineered topside equipment, which consists of hoisting and rotating systems and drilling (mud) circulating systems, is critical to a rig's ability to lift, manage and rotate the drillstring and circulate drilling fluids through the wellbore.

Hoisting and rotating systems

HMH provides the following primary pieces of equipment under its hoisting and rotating systems:

- **Top Drive.** The top drive sits within the upper portion of the derrick and applies rotation / torque to the drillstring during drilling operations. HMH has a long standing history of providing high-spec, highly reliable top drives that are used by many of the largest global drilling contractors.
- **Iron Roughneck and Pipe Handling.** The iron roughneck is used to make and later break connections in the drillstring, removing personnel from a very dangerous step in the process. The increased drilling cadence in both onshore and offshore makes the iron roughneck a key service item.
- **Derrick and Draw works** The derrick and drawworks are the weight bearing components of the rig that provide the lifting capacity to the rig.

Drilling (mud) circulating systems

HMH provides the following primary pieces of equipment under its drilling (mud) circulating systems:

- **Mud Pumps.** The mud pump is utilized to circulate drilling fluid (mud), which is critical as the fluid provides the primary pressure control, hole cleaning and friction reduction during drilling. As wellbores are increasingly complex and longer, operators require higher horsepower mud pumps to circulate fluid.
- **Slurry Pumps.** Slurry pumps are mud pumps that have been redesigned to be utilized in the transport of slurry in mining applications.
- **Mud Mixing and Control Systems.** The drilling fluid needs to be carefully mixed and monitored to achieve required properties for the specific operation, such as weighting to avoid either the loss of well control (underweight) or loss of fluid (overweight).

5.4.2 Services

HMH's aftermarket services generally fall under two broad categories:

- **Transactional Services.** Transactional services are services on installed equipment, such as the overhaul and repair of installed equipment, recertifications and field labor.
- **Integrated Solutions.** A combination various tools, software and services to provide comprehensive digital solutions designed to drive productivity, safety and efficiency in the customers' operations.

As depicted in the graphic below, the Group believes that its growing portfolio of integrated solutions is designed to deliver clear value to customers by increasing operational efficiency and reducing costs.

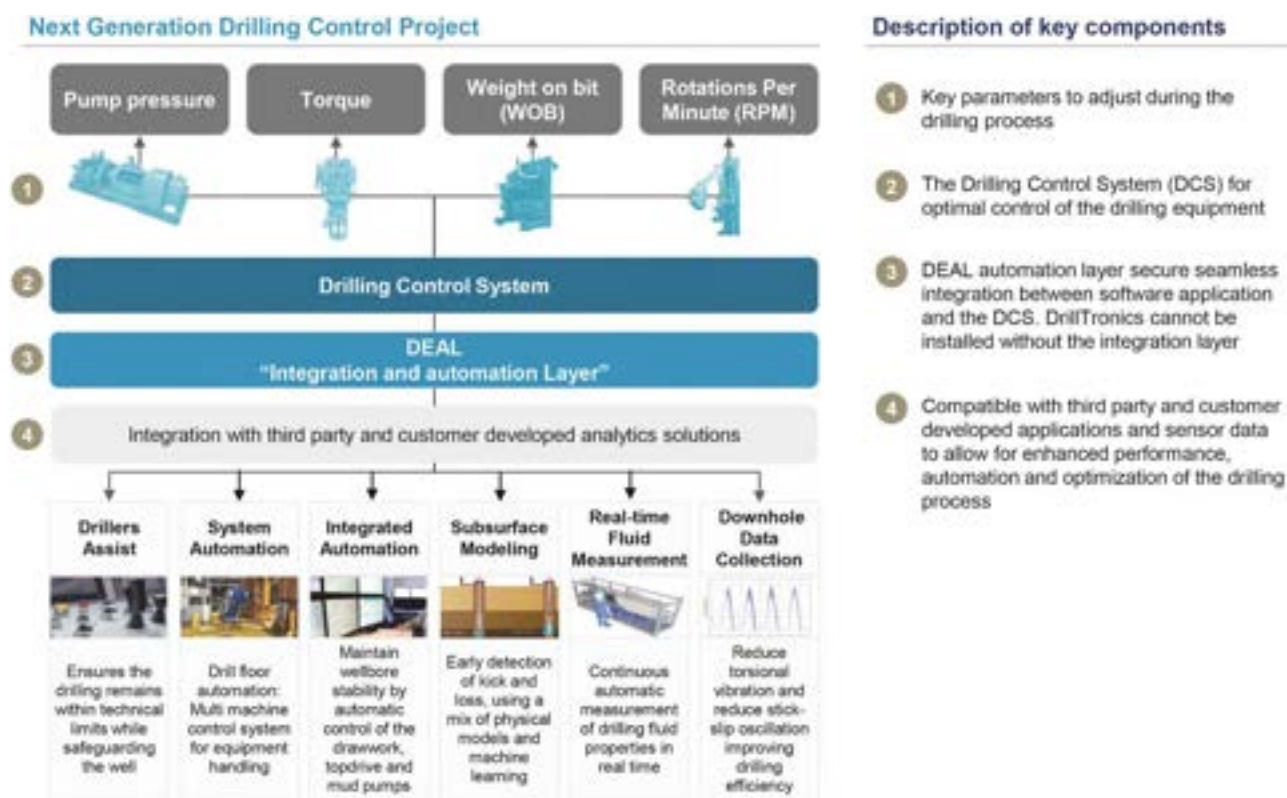


5.4.3 Digital innovation

HMH has invested in developing digital solutions to support the safe and efficient operations of equipment and believes that it is a leading provider of next-generation monitoring and control systems driving the future of drilling. The Group's digital solutions include products and services that enable operational optimization such as remote drilling automation and condition-based monitoring. The real-time monitoring and analytics capabilities provide operational and service insights that can save customers time and money. These offerings are an important part of the business as they provide recurring and stable revenue and upgrade opportunities to older equipment as customers continue to invest in their own digitalization initiatives. In addition, the horizontal nature of this technology provides the Group with the opportunity to establish a presence in new adjacent end markets.

In alignment with the customer base, HMH has taken the approach of building its digital solutions in a cloud-first, modern and open architecture. This provides customers the ability to integrate HMH's digital solutions into their existing workflow and monitoring systems and allows for the optimization of the entire well life cycle at lower costs. HMH believes that the differentiated nature of the offered digital solutions and value proposition for customers provides a strong recurring base of revenue to the Group's core business.

For example, HMH provided a next-generation rig equipment package to a customer as depicted below, which HMH believes has the potential to significantly reduce the number of personnel required to operate the rig relative to existing equipment.



5.4.4 Spare parts

The Group provides a broad range of replacement and spare parts for installed equipment used in both onshore and offshore oil and gas drilling operations. The Group's spare parts replace existing installed components on rigs that have weathered the wear-and-tear involved with repetitive use throughout the lifecycle of a rig, especially in harsh offshore environments, and keep rigs functioning safely and efficiently. Additionally, the Group's spare parts sales help customers bring back into service rigs that have been warm stacked or cold stacked. The Group's spare parts are compatible with its current and growing base of equipment installations globally, and such spare parts are also compatible with, and can serve as replacements for, equipment from most other major OEMs.

5.5 Customers and end markets

The Group serves customers in multiple industries and strives to provide reliable and safe solutions that satisfy its customers' needs. The Group's primary end market is the upstream oil and gas industry, both offshore and onshore. A growing share of the Group's revenue base is attributable to its businesses that support industries sitting outside, or adjacent to, the oil and gas sector, and the Group sees further opportunity to continue to expand its footprint in these adjacent end markets.

The Group sells equipment and services to three core customer categories across the markets that it serves: (i) drilling contractors; (ii) operators, including both oil and gas E&P companies and mining companies onshore and offshore; and (iii) manufacturers, consisting of shipyards and manufacturers of capital equipment. The Group's largest customer segment is drilling contractors, both offshore and onshore. The Group provides projects, products and services for drilling contractors in order to support essential drilling operations for E&P customers internationally. The Group's primary exposure to E&P operators is derived through the equipment supplied to platform rigs and, to a lesser degree, land-based equipment in international markets. In both cases, the rigs themselves are typically owned by the E&P operator, who may operate the rig themselves or contract out drilling operations to a drilling contractor. For mining operators, the Group sells products and services directly to mining

companies, and the Group typically sells equipment directly to those engaged in hard rock mining operations, in particular. Finally, for newbuilds, the Group provides complete projects directly to a shipyard, but with the influence of the drilling contractor or E&P operator who is driving the order.

As the OEM of critical drilling equipment, the Group's customers typically purchase equipment and services from it at regular intervals to support and service their existing assets. The Group's sales of equipment to new customers and for new drilling rigs also allow it to continually expand this installed base of equipment. In addition to the Group's sales offices and direct sales efforts, the Group incorporate distributors and manufacturing sales representatives into its sales and marketing channels in certain limited locations to market its various offerings. The Group's top five customers accounted for approximately 42.0% and 32.9% of the Group's total consolidated revenues for the years ended December 31, 2024 and 2023, respectively. During the year ended December 31, 2024, one customer accounted for 18.2% of the Group's revenues for such year. The Group expects to maintain the Group's relationship with this customer. During the year ended December 31, 2023, no individual customer accounted for more than 10% of the Group's revenues for such year.

The Group expects its customer mix to remain consistent with recent results as global drilling activity in the coming years, particularly offshore, is expected to continue to recover from cyclical trough levels seen from 2015 to 2021. In particular, due to the higher concentration of the Group's equipment being deployed in offshore and international drilling, the Group expects to be the beneficiaries of an expected 20% growth in offshore and international spending from 2023 to 2030, according to Rystad Energy. The Group does not currently anticipate a meaningful increase in de novo newbuild offshore rig construction activity in the near term, except for specific contract tenders to support expanded rig demand in the Middle East and Southeast Asia.

The Group's industry is focused on operating in a safe, minimally impactful and efficient manner. Accordingly, the Group's products are critical components and of strategic importance to its customers, and the Group is in constant and active dialogue with its customers to develop new solutions, identify improvements and optimize performance of existing equipment. These partnerships reinforce the Group's credibility, lending assurance to reliability and performance within the industry, which in turn attracts new customers. Furthermore, the Group's broad geographic exposure reflects that of the Group's customers' global presence, providing timely service across their global operations when necessary.

While the Group serves a variety of end markets, the majority of its equipment and services are deployed in oil and gas drilling operations, particularly offshore and international drilling operations. Beyond the core oil and gas end markets, the Group supplies a large and growing installed base of mining customers, primarily serving hard rock mining globally. The Group's product offerings, such as its slurry pumps, may be retrofitted and designed to service the needs of the both the conventional mining industry and also the subsea mining and research industries. The Group has seen increasing demand for its equipment from mining customers. Renewable energy technologies rely heavily on the expanded production of certain minerals, including lithium, cobalt and rare earth metals.

5.6 Strategy

HMH intends to achieve its primary business objectives by successfully executing on the following strategies through a combination of organic and inorganic growth investments:

- Leverage global footprint and large installed base to capture growth in offshore drilling capital expenditures.
- Continue to enhance customer offerings through both improvement of existing technologies, increased digitalization and expansion into additional offshore services.
- Leverage historical capability to capture growth and market share in onshore drilling capital expenditures.

- Utilize industry expertise and manufacturing capabilities to continue growth in current onshore and subsea mining businesses.
- Expand into adjacent markets that are consistent with HMM's core competencies.
- Capitalize on management experience to grow business through acquisitions and integration.
- Continue to use conservative balance sheet approach and target businesses with light capital needs.

5.7 Research and development

The Group believes that it has been, and will continue to be, at the forefront of technological and digital innovation in the drilling industry. The Group's current R&D activities are conducted in Norway, Germany and the United States. HMM actively invest in R&D efforts and are developing several innovative technologies and solutions, such as hybrid energy solution rigs, riserless drilling, a newly designed rotating control device for managed pressure drilling, enhanced pressure assisted shearing for BOPs and an electric BOP. The focus of HMM's R&D activities is the optimization of existing products and the exploration of new opportunities.

The Group is committed to making those necessary investments to improve the capabilities of existing core products and to create new product offerings to fuel organic growth. In recent years, HMM's primary R&D project was to build upon the success of its current wireline casing shear ram (WCSR) for 18-inch 15,000 psi ram BOP by introducing the WCSR-X™ shearing ram, which extended the shearing capacity of existing BOPs to up to an 18-inch outside diameter pipe and reduced required shear force up to 48%.

The Group has three major R&D projects currently in progress:

- development of a rotating control device along with associated equipment to enable open water, riserless drilling. The Group believes it will be a "first of its kind" deployment that was enabled by its acquisition of some key technology through its purchase of Electrical Subsea Drilling AS (ESD) in 2022;
- design and construction of a testbed for the development of the electric BOP actuators, motors and controllers for use in offshore surface (platforms and jack-ups), subsea and land applications. Like the rotating control device, the key technology driver for this development was its purchase of ESD. This testbed is also being used to bring in potential partners to aid in the design and qualification effort; and
- development of automation and digitalization solutions and digitally powered services to improve customer efficiency, reduce emissions and improve customer competitiveness.

The Group continues to explore potential partnership avenues to aid in its development efforts. New R&D efforts for 2025 and beyond include development and production of the fully electric BOP for both offshore surface (platforms and jack-ups) and subsea use, for which the Group is working with several publicly listed oil and gas companies to help fund development. The Group expects a significant portion of funding to come from operator partners. As with the development of the rotating control device, the development of the electric BOP has been enabled by the Group's acquisition of ESD. Additionally, the Group is developing a next-generation elastomers for oilfield sealing applications, including those outside the Group's current space, in cooperation with a major operator.

The Group's R&D objectives are focused on improving safety and efficiency, reducing emissions and cost and improving customers' competitiveness. In pursuit of these objectives, automation and other digital control solutions across various drilling functions are being explored.

The Group also invests in developing digital and automation solutions that can be integrated on operating rigs throughout the global market, such as DrillPerform, RiCon, DrillCERT, SeaLytics and DEAL, which use real-time data and analytics that allow for improved understanding of the customers' needs, provide strategic

recommendations and offerings, assist with lowering their costs and assist with critical decision-making. In recent years, the Group has developed integrated digital control solutions that enable remote drilling operations and increase automation in the drilling process. The Group's customers are provided with the ability to integrate such digital solutions into their existing systems, which leads to mutually beneficial relationships with customers.

The Group believes that its innovative equipment offerings and integrated digital solutions create value for its customers by increasing efficiency, reducing emissions, decreasing downtime, reducing cost and enhancing safety. The Group will continue pursuing technological and digital advancements that are believed to lead to additional avenues for growth and enhance what the Group believes is its position as the partner of choice for its customers. As the Group experiences growing demand in adjacent markets, a part of the R&D efforts has focused on improving and further developing existing products such as slurry pumps portfolio, equipment and systems for seabed mining and large pile top drill rigs. Additional work has been made to exploring new opportunities in adjoining industries where the Group sees a good fit with its competency and its core DNA. This work has resulted in key priorities and market leads in 2024 that the Group will continue to explore in 2025. The Group plans to focus its development efforts in the coming years on what it believes are "game-changing" technologies like open water drilling and the electric BOP.

5.8 Competition

The Group's industry is highly competitive. Competition primarily involves factors such as safety and reliability of products and services offerings, technical expertise, development of innovative technological solutions, maintenance of customer relationships, ability to execute on complex projects and operations within acceptable time and cost boundaries and other related factors. In the Group's main market segment of providing support to existing drilling rigs, the Group sees a particularly competitive environment because the Group's primary customers, drilling rig owners, face highly competitive day rates due to the overcapacity of available drilling rigs in the industry. As a result, the drilling rig owners must focus on their operational costs, which can lead to deferred maintenance and fewer upgrade contracts on which to bid; therefore, the Group must be aggressive on pricing to secure work.

The Group is, along with NOV Inc. ("**NOV**") and Schlumberger Limited's Cameron International ("**Schlumberger**"), the main provider of full equipment packages for the offshore drilling market. The offshore drilling market is becoming more highly regulated, more technologically demanding and more technologically sophisticated than the onshore market. As a result, offshore operators require highly engineered equipment and technical support services to keep their operations running safely, efficiently and productively. The Group believes that it is well-positioned to continue supporting and building its presence in the offshore drilling market as a result of its fully integrated suite of mission-critical equipment solutions, spare parts, highly technical expertise, aftermarket services offerings and long experience in the industry. The Group's comprehensive product offerings, manufacturing expertise and leading-edge technology allow the Group to provide customers with integrated topside drilling packages for jack-ups, floaters and platforms and integrated pressure control systems, both at surface and subsea. The Group's primary competitors for these products include Canrig Drilling Technology Ltd., Huisman Equipment B.V., KCA DEUTAG Drilling Group Limited, NOV, Schlumberger, Worldwide Oilfield Machine Inc. and several smaller OEMs of specific pieces of equipment. Within the global offshore drilling fleet, according to Rystad Energy, as of 1 January 2025, 2025 the Group has the second-largest installed base of topside drilling equipment and risers and the third largest installed base within the main pressure control equipment categories, including BOPs and diverters.

The Group is also growing its market presence in the onshore drilling space and is now an established OEM in multiple equipment categories within the onshore drilling and pressure control equipment spaces. The onshore drilling market has less stringent regulation and less demanding technology requirements, which have allowed more companies to enter the onshore drilling equipment manufacturers market, resulting in a more fragmented market than the offshore drilling market. Many players, in addition to NOV and Schlumberger, compete against the Group in most product segments. Smaller manufacturers and Chinese-based manufacturers can more effectively compete

with the Group onshore. Companies like Canrig Drilling Technology Ltd., Drillmec India Pvt. Ltd., Honghua Group, KCA DEUTAG Drilling Group Limited, Rongsheng Machinery Manufacture Ltd. and Worldwide Oilfield Machine Inc., among others, have significant presence in many regions in which the Group delivers its products and services. To effectively compete in the onshore market, the Group must be aggressive in bidding.

5.9 Material agreements outside the ordinary course of business

5.9.1 General

Pursuant to the Bond Terms, the Guarantors have provided the Guarantees as independent primary obligors (NW.: *selvskyldnerkausjonist*) to the Security Agent on behalf of the Secured Parties (as such terms are defined in the Bond Terms) under the Bonds. Further details of the Guarantees are set out in Section 5.9.2 (*Description of the Guarantees*) immediately below.

The Issuer directly or indirectly holds a controlling interest in 32 Group Companies (holding and operating companies), which are all consolidated in the Issuer Financial Information. Out of these Group Companies, 23 Group Companies have not been designated to serve as Guarantor. The guarantors were selected to (among other things) give bondholders appropriate recourse on group subsidiaries in addition to the Issuer. On a stand-alone and unconsolidated basis (*i.e.*, the sum of the stand-alone unconsolidated financial statements of each Guarantor), the Guarantors represent 85.06% of the net assets of the Group and 87.14% of the Group's Adjusted EBITDA (as at 31 December 2024). On a consolidated basis however, both HMH Holding (Netherlands) B.V. (and, one level below that, Hydril USA Distribution LLC, MHWirth LLC and MHWirth AS taken together) represent 100% of the net assets of the Group and 100% of the Group's Adjusted EBITDA (as at 31 December 2024) (thereby providing, in terms of value and/or assets, the same recourse opportunities as the Issuer). Please also refer to the structure chart included in Section 9.2 (*Legal structure*). The Issuer Financial Information therefore presents the most complete overview of the recourse provided by the Guarantees as a whole, which together cover all of the Group's assets, liabilities and equity.

Aside from the Guarantees provided by the Guarantors under the applicable Bond Terms, there are no material contracts or other agreements that are not entered into in the ordinary course of the Group's business, which could result in any Group Company being under an obligation or an entitlement that is material to the Issuer's ability to meet its obligations to Bondholders in respect of the Bond Listing.

5.9.2 Description of the Guarantees

Under the Bond Terms and the Revolving Credit Facility, the Issuer is required to nominate Guarantors on an annual basis in connection with delivery of its annual financial statements. There are two threshold tests to be satisfied:

- a) any Group Company that has total assets, total revenues or Adjusted EBITDA equal to or exceeding 10% of consolidated total assets, revenues or Adjusted EBITDA of the Group shall become a Guarantor; and
- b) all Guarantors together shall constitute at least 80% of the consolidated total assets, revenues and Adjusted EBITDA of the Group.

In accordance with these requirements, the Guarantors entered into (or, in respect of subsequent Guarantors, acceded to) a Norwegian law guarantee agreement with the Bond Trustee dated 22 November 2023 (the "**Guarantee Agreement**").

Purpose of the Guarantee Agreement

The purpose of the Guarantee Agreement is for each Guarantor to provide a joint and several unconditional and irrevocable Norwegian law governed guarantee and indemnity (NW.: *selskyldnerkausjon*) in respect of the Secured Obligations (as defined in the Intercreditor Agreement and the Bond Terms) under the Bonds, which includes, *inter alia*, all liabilities incurred by any Group Company (including the Issuer) in connection with the Bond Terms, the Revolving Credit Facility and other finance documents related to either of them (such as fee letters, security documents and similar).

The Guarantees

Pursuant to the Guarantee Agreement, each Guarantor irrevocably, jointly and severally: (a) guarantees to each Secured Party (as defined in the Intercreditor Agreement, being primarily the Bondholders, the creditors under the Revolving Credit Facility and their respective creditor representatives), punctual performance of the Secured Obligations; (b) undertakes with each Secured Party that whenever the Issuer or a Guarantor does not pay any amount when due under or in connection with any the Bond Terms, the Revolving Credit Facility and any other related finance document related to either of them, that Guarantor shall immediately on demand pay that amount as if it was the principal obligor; and (c) agrees with each Secured Party that if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal, it will, as an independent and primary obligation, indemnify each Secured Party on demand against any cost, loss or liability it incurs as a result of the Issuer or a Guarantor not paying any amount which would, but for such unenforceability, invalidity or illegality, have been payable by it under any other related finance documents related to either of them on the date when it would have been due, provided that the amount recoverable under such indemnity will in no event exceed the amount that would have been recoverable on the basis of a guarantee. The aggregate liability of the Guarantors under the Guarantee Agreement is limited to USD 900,000,000 plus interest, fees, costs, expenses and indemnities as set out in the other related finance documents related to either of them. The Guarantee Agreement is subject to customary limitations in relation to, among other things, unlawful financial assistance, insolvency laws, fraudulent preference and company law limitations on the granting of guarantees, loans and security interests, including:

- The obligations and liabilities of the Guarantor incorporated in Norway (MHWirth AS) shall be limited to the extent necessary to comply with the mandatory provisions of law applicable to it, including Sections 8-7 and 8-10, cf. Section 1-3, of the Norwegian Companies Act regarding unlawful financial assistance and other restrictions on a Norwegian limited liability company's ability to grant guarantees, loans or security interests, it being understood that the obligations and liabilities of each Norwegian guarantor under the Guarantee Agreement shall always be interpreted so as to make each the Guarantor incorporated in Norway liable to the fullest extent permitted by Norwegian law.
- To the extent that the United States Bankruptcy Code of 1978 (Title 11 of the United States Code), any other United States federal or state bankruptcy, insolvency or similar law, or any applicable US state fraudulent transfer or conveyance law is applicable to the Guarantee Agreement, the maximum liability of each Guarantor shall in no event exceed the amount that can be guaranteed by such Guarantor under such applicable law, and (b) in the event any payment or distribution is made by a Guarantor under the Guarantee Agreement, such Guarantor shall be entitled to be indemnified from each other Guarantor, to the greatest extent permitted under applicable law and subject to the other limitations of the Guarantee Agreement, *pro rata* based on the net worth of each Guarantor.
- The obligations created by the Guarantee Agreement of the Guarantor incorporated in Germany (MHWirth GmbH) are limited to the extent that by performing such obligations, such Guarantor would be in breach

of German non-dispositive law, in particular any laws on unlawful financial assistance or insolvency laws and including Sections 30 and 31 of the German Limited Liabilities Companies Act (*Gesetz betreffend die Gesellschaften mit beschränkter Haftung*).

- The Guarantee under the Guarantee Agreement shall not apply in respect of the Guarantor incorporated in England to any liability to the extent that it would result in the Guarantee constituting unlawful financial assistance within the meaning of Sections 678 or 679 of the UK Companies Act 2006.
- The obligations and liabilities of the Guarantor incorporated in the Netherlands (the Parent) under the Guarantee Agreement and the scope of the Guarantee shall be limited to the extent necessary to comply with the mandatory provisions of law applicable to it, including regarding unlawful financial assistance and other restrictions on a Dutch limited liability company's ability to grant guarantees, loans or security interests.

The Guarantees are also subject to the Intercreditor Agreement pursuant to which other limitations may apply.

5.9.3 *Intercreditor Agreement and a Revolving Credit Facility*

The Issuer entered into (i) an Intercreditor Agreement on 22 November 2023 and (ii) a Revolving Credit Facility on 20 November 2023 with DNB Bank ASA as agent and DNB Bank ASA and Nordea Bank Abp, filial i Norge as lenders, amongst others, under which the Issuer is granted a USD 50,000,000 super senior revolving credit facility. The entry into the Intercreditor Agreement and the Revolving Credit Facility is as contemplated by and permitted under the Bond Terms. Funds drawn under the Revolving Credit Facility may be used by the Issuer for general corporate purposes of the group.

5.10 **Legal and arbitral proceedings**

Due to the nature of the Group's business, the Group might be involved in disputes and litigation matters from time to time. These matters may include, among other things, project errors, employment matters, intellectual property related matters, as well as other disputes that arise in the ordinary course of business. The Group cannot predict with certainty the outcome of any claim or other litigation matter. The ultimate outcome of any litigation matter and the potential costs associated with prosecuting or defending such lawsuits, including the diversion of Management's attention to these matters, could have a material adverse effect on Group's business, revenue, profit and financial condition.

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware), during a period covering at least the previous 12 months which may have or have had in the recent past significant effects on the Issuer and/or Group's financial position or profitability.

6 SELECTED HISTORICAL FINANCIAL INFORMATION AND OTHER INFORMATION

6.1 Introduction, basis of preparation

The selected financial information referenced in this Section has been sourced from the Financial Information, as defined in Section 3.3 (*Presentation of financial and other information*).

6.2 The Issuer

6.2.1 Overview

The Issuer Financial Information is included in [Appendices 12 - 14](#).

The table below references pages in the Issuer Financial Information including selected historical financial information.

	Interim financial statements for the three-month period ended 31 March 2025	Annual financial statements for the year ended 31 December 2024	Annual financial statements for the year ended 31 December 2023
Consolidated statement of income	Page 4	Page 41	Page 48
Consolidated statement of comprehensive income	Page 4	Page 41	Page 48
Consolidated statement of financial position	Page 5	Page 42	Page 49
Consolidated statement of cash flow	Page 6	Page 43	Page 50
Notes	-	Page 45	Page 52
Audit report	-	Page 104	Page 118

6.2.2 Independent auditor

The Issuer's independent auditor is KPMG Accountants N.V, with registered business address Laan van Langerhuize 1 Amstelveen, 1186 DS, the Netherlands. The auditors of KPMG Accountants N.V. are members of the professional body *Koninklijke Nederlandse Beroepsorganisatie van Accountants*, the professional institute for the accountant sector in the Netherlands.

KPMG Accountants N.V has been the Issuer's independent auditor since the date of the Issuer's incorporation on 28 April 2021 (at that time named: MHH Holding B.V.).

KPMG Accountants N.V has audited the Issuer Annual Financial Statements, and the audit reports are included together with such financial statements in [Appendices 12 – 13](#). KPMG Accountants N.V has not audited, reviewed or produced any report on any other information provided in this Prospectus.

6.3 The Guarantors

6.3.1 HMM Holding (Netherlands) B.V.

The unaudited unconsolidated financial statements for HMM Holding (Netherlands) B.V. as of and for the nine-month period ended 30 September 2024 are included in [Appendix 15](#).

The table below references pages in the interim financial statements of HMH Holding (Netherlands) B.V. including selected historical financial information.

	Nine-month period ended 30 September 2024 (unaudited)
Income statement	Page 3
Statement of financial position	Page 4
Cash flow statement	Page 5
Notes	Page 6

6.3.2 MHWirth AS

The audited unconsolidated financial statements for MHWirth AS as of and for the financial years ended 31 December 2023 and 31 December 2022 and the unaudited interim financial statements for the nine-month period ended 30 September 2024 are included in [Appendices 16 - 18](#).

The table below references pages in the annual and interim financial statements of MHWirth AS including selected historical financial information.

	Nine-month period ended 30 September 2024 (unaudited)	Year ended 31 December 2023 (audited)	Year ended 31 December 2022 (audited)
Profit and loss statement	Page 1	Page 2	Page 2
Balance sheet	Page 2	Page 3	Page 3
Cash flow statement	Page 4	Page 5	Page 5
Notes	Page 5	Page 6	Page 6
Audit report	-	Page 26	Page 36

6.3.3 Hydril USA Distribution LLC

The audited unconsolidated financial statements for Hydril USA Distribution LLC as of and for the financial years ended 31 December 2023 and 31 December 2022 and the unaudited interim financial statements for the nine-month period ended 30 September 2024 are included in [Appendices 19 - 20](#).

The table below references pages in the annual and interim financial statements of Hydril USA Distribution LLC including selected historical financial information.

	Nine-month period ended 30 September 2024 (unaudited)	Year ended 31 December 2023 (audited)	Year ended 31 December 2022 (audited)
Statements of operations	Page 4	Page 5	Page 5
Statements of financial position	Page 5	Page 6	Page 6
Statements of cash flows	Page 6	Page 7	Page 7
Notes	Page 9	Page 9	Page 9
Audit report	-	Page 3	Page 3

6.3.4 Hydril PCB Limited

The audited unconsolidated financial statements for Hydril PCB Limited as of and for the financial years ended 31 December 2023 and 31 December 2022 and the unaudited interim financial statements for the nine-month period ended 30 September 2024 are included in [Appendices 21 - 23](#).

The table below references pages in the annual and interim financial statements of Hydril PCB Limited including selected historical financial information.

	Nine-month period ended 30 September 2024 (unaudited)	Year ended 31 December 2023 (audited)	Year ended 31 December 2022 (audited)
Statement of (comprehensive) income	Page 4	Page 8	Page 8
Statement of financial position	Page 5	Page 9	Page 9
Statement of changes in equity	Page 6	Page 10	Page 11
Notes	Page 7	Page 11	Page 12
Audit report	-	Page 5	Page 5

6.3.5 HMH Drilling Asia Pte. Ltd.

The audited unconsolidated financial statements for HMH Drilling Asia Pte. Ltd. as of and for the financial years ended 31 December 2023 and 31 December 2022 and the unaudited interim financial statements for the nine-month period ended 30 September 2024 are included in [Appendices 24 - 26](#).

The table below references pages in the annual and interim financial statements of HMH Drilling Asia Pte. Ltd. including selected historical financial information.

	Nine-month period ended 30 September 2024 (unaudited)	Year ended 31 December 2023 (audited)	Year ended 31 December 2022 (audited)
Statement of financial position	Page 2	Page 7	Page 7
Statement of comprehensive income	Page 3	Page 8	Page 8
Cash flow statement	Page 5	Page 10	Page 10
Notes	Page 6	Page 11	Page 11
Audit report	-	Page 4	Page 4

6.3.6 MHWirth LLC

The unaudited unconsolidated financial statements for MHWirth LLC as of and for the financial years ended 31 December 2023 and 31 December 2022 and the unaudited interim financial statements for the nine-month period ended 30 September 2024 are included in [Appendices 27 - 29](#).

The table below references pages in the annual and interim financial statements of MHWirth LLC including selected historical financial information.

	Nine-month period ended 30 September 2024 (unaudited)	Year ended 31 December 2023 (unaudited)	Year ended 31 December 2022 (unaudited)
Statement of operations	Page 3	Page 3	Page 3
Statement of financial position	Page 4	Page 4	Page 4
Cash flow statement	Page 5	Page 5	Page 5
Notes	Page 7	Page 7	Page 7
Audit report	-	-	-

6.3.7 MHWirth GmbH

The audited unconsolidated financial statements for MHWirth GmbH as of and for the financial years ended 31 December 2023 and 31 December 2022 and the unaudited interim financial statements for the nine-month period ended 30 September 2024 are included in [Appendices 30 - 32](#).

The table below references pages in the annual and interim financial statements of MHWirth GmbH including selected historical financial information.

	Nine-month period ended 30 September 2024 (unaudited)	Year ended 31 December 2023 (audited)	Year ended 31 December 2022 (audited)
Income statement	Page 5	Page 5	Page 5
Balance sheet	Page 3	Page 3	Page 3
Notes	Page 8	Page 7	Page 7
Audit report	-	Page 37	Page 37

6.3.8 MHWirth FZE

The audited unconsolidated financial statements for MHWirth FZE as of and for the financial years ended 31 December 2023 and 31 December 2022 and the unaudited interim financial statements for the nine-month period ended 30 September 2024 are included in [Appendices 33 - 35](#).

The table below references pages in the annual and interim financial statements of MHWirth FZE including selected historical financial information.

	Nine-month period ended 30 September 2024 (unaudited)	Year ended 31 December 2023 (audited)	Year ended 31 December 2022 (audited)
Statement of profit or loss and other comprehensive income	Page 3	Page 4	Page 4
Statement of financial position	Page 4	Page 5	Page 5
Cash flow statement	Page 5	Page 6	Page 6
Notes	Page 8	Page 8	Page 8
Audit report	-	Page 1	Page 1

6.3.9 MHWirth do Brasil Equipamentos Ltda.

The audited unconsolidated financial statements for MHWirth do Brasil Equipamentos Ltda. as of and for the financial years ended 31 December 2023 and 31 December 2022 and the unaudited interim financial statements for the nine-month period ended 30 September 2024 are included in [Appendices 36 - 38](#).

The table below references pages in the annual and interim financial statements of MHWirth do Brasil Equipamentos Ltda. including selected historical financial information.

	Nine-month period ended 30 September 2024 (unaudited)	Year ended 31 December 2023 (audited)	Year ended 31 December 2022 (audited)
Balance sheet	Page 6	Page 6	Page 6
Income statement	Page 7	Page 7	Page 7
Statement of comprehensive income	Page 8	Page 8	Page 8
Cash flow statement	Page 10	Page 10	Page 10
Notes	Page 11	Page 11	Page 11
Audit report	-	Page 3	Page 3

6.3.10 Independent auditors of the Guarantors

The table below sets out selected information about the independent auditors of the Guarantors for the period covered by the Guarantors' Financial Information:

Guarantor	Auditor	Address	Membership in professional body
HMH Holding (Netherlands) B.V.	N/A	N/A	N/A
MHWirth AS	KPMG AS	Sørkedalsveien 6, NO-0369 Oslo, Norway	The Norwegian Institute of Public Accountants (<i>Den norske Revisorforening</i>)
Hydril USA Distribution LLC	KPMG LLP	345 Park Avenue New York, 10154 United States of America	American Institute of Certified Public Accountants
Hydril PCB Limited	RSM UK Audit LLP	6th Floor 25 Farringdon Street, London, EC4A 4AB	The Institute of Chartered Accountants in England and Wales
HMH Drilling Asia Pte. Ltd.	KPMG Services Pte. Ltd.	16 Raffles Quay, #22-00 Hong Leong Building, Singapore 048581 Republic of Singapore	Member of the Institute of Certified Public Accountants of Singapore
MHWirth LLC	-	-	-
MHWirth GmbH	KPMG AG	Klingelhöferstraße 18 10785 Berlin, Germany	Institute of Auditors (<i>Institut der Wirtschaftsprüfer</i>) and Chamber of Auditors (<i>Wirtschaftsprüferkammer</i>)
MHWirth FZE	KPMG Lower Gulf Limited	The offices 5, One Central, Dubai World Trade Center, Dubai, 3800	UAE Accountants & Auditors Association
MHWirth do Brasil Equipamentos Ltda	KPMG Auditores Independentes	Rua do Passeio, 38 – Setor 2 – 17o andar – Centro – Rio de Janeiro, Brazil	The Institute of Independent Auditors of Brazil

Except as set out in Sections 6.2.2-6.3.9 above, neither of the auditors set out above have audited, reviewed or produced any report on any other information provided in this Prospectus.

7 RECENT DEVELOPMENTS

This Section should be read together with the Financial Information and related notes included therein. The Financial Information is appended to this Prospectus as Appendices 12 – 38. This Section should be read together with Section 3 (GENERAL INFORMATION), Section 5 (BUSINESS OF THE GROUP) and Section 6 (SELECTED HISTORICAL FINANCIAL INFORMATION AND OTHER INFORMATION).

This Section contains forward-looking statements. These forward-looking statements are not historical facts, but are rather based on the Group's current expectations, estimates, assumptions and projections about the Group's industry, business, strategy and future financial results. Actual results could differ materially from the results contemplated by these forward-looking statements because of a number of factors, including those discussed in Section 3 (GENERAL INFORMATION) of this Prospectus, as well as other Sections of this Prospectus.

7.1 General overview and recent developments

Oil and gas play a critical role in enabling modern society to function and providing increased standards of living to the global population. The Group believes that oil and gas will continue to play a leading role in the future global energy mix. While the world will take the needed efforts to diversify its energy supply into renewables and more sustainable forms of energy, including nuclear, the International Energy Agency estimates that oil and gas will nonetheless comprise 45% of global energy supply in 2050 and that global energy consumption is expected to increase to 533 exajoule by 2050, a 20% increase from 2023 levels and a 41% increase from 2010 levels.

The Group's business is driven by the number of drilling rigs working globally onshore and offshore (particularly those drilling rigs on which its equipment is installed), which in turn is driven by oil and gas demand, levels of global drilling activity and spending by E&P operators associated with supplying oil and gas. As demand for contracted drilling rigs increases, the Group's customers may seek to replace existing equipment that is in need of major refurbishment or no longer operational, upgrade the capacities of their existing drilling rigs with its highly engineered, integrated drilling solutions or retrofit a new comprehensive drilling package or entire newbuild drilling rig. The Group provides ongoing aftermarket services and spare part sales on drilling rigs with its installed equipment, as well as rigs with equipment from other OEMs, allowing it to capture recurring revenues throughout the lifecycle of a drilling rig.

As drilling rigs work and age, and as increasingly complex wells generate more wear-and-tear, the Group benefits from the resulting additional demand for its products, aftermarket services and spare parts. Historically, the Group has seen aftermarket-driven demand growth as offshore drilling activity increases, and the Group expects that pattern to continue. Additionally, as the Group's customers bring offshore rigs that are warm stacked or cold stacked back into service, the revenue base for its aftermarket services and spare parts increases. This is in addition to the Group benefitting from the revenue opportunities from equipment upgrades associated with such reactivations.

The last build cycle for offshore drilling rigs ended in 2015 when E&P operators shifted spending to short-cycle onshore shale from offshore, leading to an oversupply of floater and jack-up rigs, sending the offshore drilling industry into a prolonged downturn. This led to chronic underinvestment, which, when combined with declining rates on existing wells, created upward pressure on day rates and led to increases in activity in 2019. The decrease in customer spending as a result of the emergence of the COVID-19 pandemic in 2020 and the resulting decline in oil and gas demand caused the Group's customers to take rigs out of service as offshore drilling activity contracted. Beginning in 2021 with the gradual reopening of supply chains, however, the offshore oil and gas industry had largely returned to its pre-COVID recovery trend.

According to Rystad Energy, after years of underinvestment, global greenfield and brownfield oil and gas capital expenditures are projected to be over USD 700 billion in each of 2025, 2026 and 2027, an increase of almost 60% as compared to 2020. As global capital expenditures for the oil and gas industry increase, the offshore rig market is also approaching activity levels not seen in nearly a decade. Rystad Energy forecasts a compounded annual growth rate of over 6% for floater rigs between 2024 and 2027, and offshore production is expected to grow 16%

between 2024 and 2030. Rystad Energy also expects to see offshore deepwater production as the main contributor to global non-OPEC oil supply beyond 2027 as spending shifts towards offshore in response to the relative underinvestment in long-cycle, high-volume offshore developments over the past decade. Such increase in oil and gas exploration and drilling activity, particularly offshore, is expected to result in increased demand for the Group's equipment, aftermarket services and spare parts.

Demand related to onshore oil and gas drilling activity tends to be shorter cycle and regionally focused as each market may have specific dynamics that vary from location to location. Since the cyclical trough in activity during the last commodity price decline and COVID-19, the total number of active land rigs has increased and, in the key Middle East market, the demand for modern, high-spec land rigs capable of supporting complex drilling operations has resulted in newbuild opportunities. In the North American unconventional market, efficiency gains in drilling and completion activity have resulted in production increasing without a corresponding increase in rig counts—implying each active rig is drilling more wells and more footage in a given period than previously. This increased cadence of drilling activity in challenging subsurface environments and more complex, longer lateral wells create increased wear-and-tear on equipment, resulting in additional demand for its products, aftermarket services and spare parts.

The Group has an overall positive outlook for global oil and gas activity, with a specific emphasis on tailwinds in global offshore E&P spending and onshore E&P spending in the Middle East. The Group believes that increased E&P activity in the oil and gas industry, particularly offshore, will be required to meet expected growth in global demand. The Group believes that current low levels of E&P capital spending are not sustainable, and the E&P industry will require more capital investment in order to increase production capacity to meet near-term and long-term demand for oil and gas.

There has not been any material adverse change in the prospects of the Issuer nor of the Guarantors since 31 December 2024 or 31 December 2023, respectively (being the end of the last financial periods for which audited financial statements are available).

7.2 Significant changes in the financial position of the Issuer and the Guarantors

There have been no significant changes in the financial positions of the Issuer nor of the Guarantors since 31 March 2025 or 30 September 2024, respectively (being the end of the last financial periods for which financial information is available), as to the date of this Prospectus.

7.3 Significant changes in the financial performance of the Issuer and the Guarantors

There have been no significant changes in the financial performance of the Issuer nor of the Guarantors since 31 March 2025 or 30 September 2024, respectively (being the end of the last financial periods for which financial information is available), as to the date of this Prospectus.

7.4 Recent events relevant to the evaluation of the solvency of the Issuer and the Guarantors

There have been no recent events particular to the Group that to a material extent are relevant for the evaluation of the solvency of the Issuer or any of the Guarantors.

7.5 Material changes in the borrowing and funding structures of the Group

There have been no material changes in the borrowing and funding structures of the Group since 31 December 2024.

7.6 Expected financing of the Group's activities

The Group's financial objectives include the maintenance of sufficient liquidity, adequate financial resources and financial flexibility to fund its business. The Group's primary sources of liquidity are its existing cash on hand, cash generated from operations, borrowings under the Revolving Credit Facility (the senior facility agreement entered into on 20 November 2023 between the Issuer, DNB Bank ASA, as agent, certain financial institutions party thereto as lenders and DNB Markets, a part of DNB Bank ASA, and Nordea Bank Abp, filial i Norge, as mandated lead arrangers and bookrunners, pursuant to which the Issuer is provided revolving credit financing in an aggregate principal amount of up to USD 50.0 million, with a scheduled maturity date of 16 May 2026), and borrowings under the Bonds, under which the Group can increase borrowings by up to USD 75 million and can also enter into separate bridge financing facilities. As of December 31, 2024 and 2023, the Group's cash and cash equivalents were USD 48.9 million and USD 62.5 million, respectively. As of December 31, 2024 and 2023, the Group's availability under the Revolving Credit Facility was USD 35.6 million and USD 28.9 million, respectively. As of December 31, 2024 and 2023, the Group's total indebtedness was USD 343.1 million and USD 338.2 million, respectively.

The Group believes that its existing cash on hand, cash generated from operations and available capacity under the Revolving Credit Facility and the Bonds will be sufficient to meet its liquidity needs in the short term and long term. The Group's ability to satisfy its liquidity requirements depends on its future operating performance, which is affected by prevailing economic conditions, market conditions in the oil and natural gas industry, availability and cost of raw materials and other factors, many of which are beyond the Group's control.

As at the date of this Prospectus, the Issuer nor the Guarantors have any expectations to enter into any new financing agreements to finance the Group's activities.

8 THE BOARD OF DIRECTORS AND MANAGEMENT

8.1 Introduction

The general meeting is the highest decision-making authority of the Issuer. All shareholders of the Issuer are entitled to attend and vote at general meetings and to table draft resolutions for items to be included on the agenda for a general meeting, subject to the provisions of Dutch law

The overall management of the Issuer is vested with its board of directors (the "**Board of Directors**", each a "**Board Member**") and the Issuer's executive management (the "**Management**"). In accordance with Dutch law, the Board of Directors is the Issuer's statutory board and is responsible for, among other things, the general and day-to-day management of the Issuer's business ensuring proper organization, developing and implementing the Issuer's strategy, preparing plans and budgets for its activities ensuring that the Issuer'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 Issuer's operations and instructions as set out by and under the responsibility of the Board of Directors. The Issuer does not have a supervisory board.

The Group has a separate audit committee since November 2022. The audit committee comprises of Asbjørn Rødal, who qualifies as independent from the Issuer.

8.2 The Issuer

8.2.1 Board of Directors

The Articles of Association provide that the Board of Directors shall comprise: (i) if the Issuer has one shareholder, such number of Board Members as determined by the general meeting, and (ii) if the Issuer has more than one shareholder, such number of Board Members as determined by the Board of Directors, in each case, provided that the Board of Directors must comprise at least one Board Member.

The current Board of Directors consists of five Board Members. The names and positions of the Board Members as of the date of this Prospectus are set out in the table below. The Issuer's registered business address serves as business address for the Board Members as regards their directorship in the Issuer.

Name	Position
Daniel W. Rabun	Board Member – Chair
Karl Erik Kjelstad	Board Member
Judson E. Bailey	Board Member
Kristian M. Røkke	Board Member
Georgia M. Magno	Board Member

Set out below are brief biographies of the Board Members, as well as indications of each of the Board Member's significant principal activities performed outside the Issuer where relevant for the business of the Group, including the names of companies and partnerships of which a Board Member is a member of the administrative management or supervisory bodies or partner (not including directorships and management positions in subsidiaries of the Issuer).

Daniel W. Rabun, chair of the Board

Mr. Rabun has served as the chairman of the Board since October 2024. He has also served on the board of directors of Borr Drilling Limited (NYSE and OSE: BORR), an international drilling contractor, since April 2023, the board of directors (and is currently the chairman of the board) of ChampionX Corporation (Nasdaq: CHX), a provider

of chemical solutions, artificial lift systems and equipment and technologies for the oil and gas industry, since 2018 and the board of directors of Golar LNG Ltd. (Nasdaq: GLNG), a maritime liquefied natural gas infrastructure company, since 2015. From 2015 to May 2024, Mr. Rabun served on the board of directors of APA Corporation (formerly known as Apache Corporation) (Nasdaq: APA). Prior to that, he was at Ensco plc (formerly NYSE: ESV), an offshore drilling services company, based in London, where he served as chairman of the board of directors from 2007 to 2015, Chief Executive Officer from 2007 to 2014 and President from 2006 to 2014. Prior to joining Ensco plc, Mr. Rabun was a partner with the international law firm of Baker McKenzie LLP, where he provided legal advice to oil and gas companies from 1986 to 2004. Mr. Rabun has a Bachelor's degree in Business Administration from the University of Houston and a Juris Doctor from Southern Methodist University's Dedman School of Law and is a Certified Public Accountant (CPA).

Karl Erik Kjelstad, Board Member

Karl Erik Kjelstad Kjelstad has served as a Board Member since October 2021. Mr. Kjelstad has served as Chief Executive Officer of Akastor ASA since 2018 and served as Executive Vice President and Investment Director of Akastor ASA from 2014 to 2017. Prior to that, he held numerous key positions at the Aker group, including Executive Vice President of Oilfield Services and Marine Assets of Aker Solutions from 2009 to 2014, Senior Partner and President of Maritime of Aker ASA from 2007 to 2009 and President and Chief Executive Officer of Aker Yards ASA from 1998 to 2007. He has also held several board positions in different industries, including the oil service, offshore drilling, offshore and merchant shipping, shipbuilding, IT services, real estate and construction industries. Mr. Kjelstad has a Master of Sciences in Marine Engineering from the Norwegian University of Science and Technology (NTNU) and an Advanced Management Program executive degree from Harvard Business School.

Judson E. Bailey

Judson E. Bailey has served as a Board Member since 2023. Mr. Bailey has served as Vice President of Corporate Development of Baker Hughes (NASDAQ: BKR) since August 2023, where he leads M&A and strategic early-stage investment efforts, and served as Vice President of Investor Relations of Baker Hughes from August 2019 to August 2023. Prior to joining Baker Hughes, Mr. Bailey gained extensive experience as a sell-side research analyst, covering the oilfield services and equipment industry for nearly 20 years at various firms, including serving as Managing Director at Wells Fargo Securities, LLC from 2014 to August 2019, Senior Managing Director at ISI Group, LLC from 2012 to 2014 and Managing Director at Jefferies & Company, Inc. from 2000 to 2012. His expertise and contributions have been recognized by numerous industry organizations, including multiple rankings as an equity analyst in the Institutional Investor survey for the Oilfield Services & Equipment sector and ranking #1 in 2022 and 2023 in the Institutional Investor survey for Investor Relations. Mr. Bailey has a Bachelor's degree from Texas A&M University and is a Chartered Financial Analyst (CFA).

Kristian M. Røkke, Board Member

Kristian M. Røkke has served as a Board Member since October 2021. Mr. Røkke has experience from investment management, offshore services and shipbuilding in several companies in the Aker group. He is currently chair of the board of several companies, including Aker Horizons ASA, Mainstream Renewable Power, Aker Carbon Capture ASA and Philly Shipyard ASA, and is a director on the board of directors of TRG Holding AS. He also served as Chief Executive Officer of Aker Horizons ASA (OSE: AKH), a company that develops green energy and green industry to accelerate the transition to net zero from since July 2020 until October 2024. Prior to that, Mr. Røkke served as Chief Investment Officer of Aker ASA from 2018 to 2020. He served as Chief Executive Officer of Akastor ASA from 2015 to 2017 and held various operational and executive roles at Philly Shipyard ASA (OSE: PHLY), a constructor of commercial naval vessels, from 2007 to 2016. (Mr. Røkke has an undergraduate degree from BI Norwegian Business School and a Master of Business Administration from Wharton Business School at the University of Pennsylvania.

Georgia M. Magno, Board Member

Ms. Magno has served as a Board Member since March 2025. Ms. Magno has served as Chief Legal Officer of Baker Hughes since January 2024, where she is responsible for Baker Hughes' legal and regulatory affairs, corporate governance and compliance function and for driving regulatory compliance, risk management and strategic direction of corporate governance across Baker Hughes, as well as liaising with its board of directors. She has more than 20 years of management and legal experience and, since joining Baker Hughes in 2017, she has served in legal roles of increasing complexity and responsibility across commercial, operational and product line organizations in multiple countries, including Italy and the United States. Her roles at Baker Hughes include Vice President and General Counsel of Baker Hughes' Industrial & Energy Technology business segment from October 2022 to December 2023, head of legal and compliance of Baker Hughes' Turbomachinery & Process Solutions, Climate Technology Solutions and New Frontiers business segments from January 2022 to October 2022, and General Counsel and Vice President of the Turbomachinery & Process Solutions business segment from January 2017 to January 2022. Prior to the merger between Baker Hughes and General Electric Company's oil and gas business (for the purposes of this biography "**GE Oil & Gas**"), Ms. Magno served in various roles for GE Oil & Gas between April 2010 and December 2016, including Associate General Counsel of Commercial, Associate General Counsel of Global Supply Chain and Senior Counsel of Sourcing. Prior to joining GE Oil & Gas, she worked as an international litigator at Weil, Gotshal & Manges LLP from September 2006 to March 2010 and Cleary Gottlieb Steen & Hamilton LLP from September 2004 to July 2006. Ms. Magno serves as a trustee of the Baker Hughes Foundation. Ms. Magno has a Juris Doctor from Università di Bologna and a Master of Laws degree from Harvard Law School. She is a member of the New York Bar and has been a visiting researcher at the Wharton School at the University of Pennsylvania.

8.2.2 Management

The Issuer's management team currently consists of six individuals, including the CEO and the CFO.

The names of the members of Management and their respective positions are presented in the table below. The Issuer's registered business address serves as business address for the members of the Management in relation to their positions with the Issuer.

Name	Position
Eirik Bergsvik	Chief Executive Officer (CEO)
Thomas W. McGee	Chief Financial Officer (CFO)
Dwight William Rettig	Chief Administration Officer (CAO), General Counsel and Corporate Secretary
Eugene C. Chauviere III	Chief Operations Officer (COO)
Roy A. Dyrseth	Chief Commercial Officer (CCO)
Pål Skogerbø	Chief Technology Officer (CTO)

Set out below are the brief biographies of each member of the Management, as well as indications of each member's significant principal activities performed outside the Issuer where relevant for the business of the Group, including the names of companies and partnerships of which a member of the Management is a member of the administrative management or supervisory bodies or partner (not including directorships and management positions in subsidiaries of the Issuer).

Eirik Bergsvik, CEO

Eirik Bergsvik has served as CEO since January 2023. Mr. Bergsvik served as CTO (under the former title President of Equipment and System Solutions) of HMH Holding B.V. from October 2021 to January 2023. Prior to that, he served as Chief Executive Officer of MHWirth, before it was contributed to HMH by Akastor ASA in the formation of HMH Holding B.V., from February 2019 to October 2021 and Vice President of Business Development of Hunter Group ASA (OB: HUNT), an investment company focused on shipping and oil service investments, from 2017 to 2018. From 2011 to 2017, Mr. Bergsvik served as Chief Executive Officer of Interwell AS, a leading supplier of downhole products for oil companies. From 2006 to 2011, Mr. Bergsvik served as Managing Director of National

Oilwell Norway AS, a supplier of oilfield services and equipment. Mr. Bergsvik has an undergraduate degree in Business & Administration from Molde University College and a degree in Electrical Engineering from Trondheim Marine Engineers School.

Thomas W. McGee, CFO

Thomas W. McGee has served as CFO since October 2021. He has more than 25 years of experience from the oil service, consulting and financial services industries. Prior to that, Mr. McGee served in the Office of the Chairman of MHWirth, before it was contributed to HMM by Akastor ASA in the formation of the Issuer, from January 2019 to September 2021. From 2016 to 2018, Mr. McGee served as Executive in Residence at Warburg Pincus LLC, a global private equity firm. From 2005 to 2015, he served as Vice President of Corporate Development of NOV (NYSE: NOV), an independent equipment and technology provider to the global energy industry. Mr. McGee has a Bachelor's degree in Economics from Vanderbilt University and a Master of Business Administration from Wharton Business School at the University of Pennsylvania.

Dwight William Rettig, CAO, GC and Corporate Secretary

Dwight W. Rettig has served as Chief Administration Officer (CAO), General Counsel (GC) and Corporate Secretary since October 2021. He has more than 30 years of experience from the oil service industry. Mr. Rettig previously served in the Office of the Chairman of MHWirth, before it was contributed to HMM by Akastor ASA in the formation of the Issuer, from January 2019 to September 2021. From 2016 to 2018, Mr. Rettig served as Executive in Residence at Warburg Pincus LLC, a global private equity firm. From 1990 to 2014, he served as Executive Vice President and General Counsel of NOV. Mr. Rettig's previous experience includes establishing NOV's compliance department and assisting NOV with the buyout from United States Steel Corporation (NYSE: X) and Armco Steel Corporation and its subsequent initial public offering. Mr. Rettig has a Bachelor's degree from Indiana University and a Juris Doctor and Master of Business Administration from the University of Houston.

Eugene C. Chauviere, COO

Eugene Chauviere has held the position as Chief Operating Officer (COO), former title President Pressure Control Systems, at HMM since October 2021. Prior to that, Mr. Chauviere was the Vice President of Subsea Drilling Systems for Baker Hughes, a position he served in from 2008 until the fall of 2021. Mr. Chauviere joined Hydril in 1998 where he has held several global roles including, services, operations, projects, engineering, Vice President Pressure Control and finally that of CEO Hydril Pressure Control. Prior to joining Hydril, he was employed for 10 years with Cooper Cameron Corporation in the corporate quality team and finally as a Project Manager in the subsea business. Mr. Chauviere currently serves on the Energy Workforce & Technology Council and the board of Hydril Pressure Control India. He is a graduate of Texas A&M University with a BSc of Industrial Engineering and attended the Stanford Executive Program.

Roy A. Dyrseth, CCO

Roy Dyrseth, has held the position as Chief Commercial Officer (CCO) at HMM since October 2021. Mr. Dyrseth has extensive management experience and held a dual role from February 2016 to October 2021 as executive director in Akastor ASA for drilling related business development and as chief commercial officer at MHWirth. Mr. Dyrseth was also the CEO of MHWirth from 2013 to 2016. Prior to this, Mr. Dyrseth held various executive management positions National Oilwell Varco (NOV). Mr. Dyrseth holds a BSc in Marine Technical Operations from Aalesund University College.

Pål Skogerbø, CTO

Pål Skogerbø has held the position as Chief Technology Officer (CTO), former title President Equipment and System Solutions, at HMM since July 2022. Mr. Skogerbø has more than 20 years of experience from the oil service industry and has served as CTO for MHWirth from 2019 to 2022. Prior to that, Mr. Skogerbø held several global roles within MHWirth and Aker Solutions. He joined Maritime Hydraulics in 1999. Mr. Skogerbø holds a Bachelor of

Science in Mechatronic from the University in Agder and a Master of Science in Process Automation from Telemark University College (HiT).

8.3 The board of directors and management of the Guarantors

8.3.1 *HMH Holding (Netherlands) B.V.*

The names and positions of the members of the board of directors of HMH Holding (Netherlands) B.V. are set out in the table below:

Name	Position
HMH Holding B.V.	Sole Managing Director

The names and positions of the management of HMH Holding (Netherlands) B.V. are set out in the table below:

Name	Position
N/A	N/A

The Guarantor's registered business address also serves as the business address for the members of the board of directors and the management in relation to their directorships and positions in the Guarantor.

8.3.2 *MHWirth AS*

The names and positions of the members of the board of directors of MHWirth AS are set out in the table below:

Name	Position
Eirik Bergsvik	Chair
Pål Skogerbø	Board member
Dag Arthur Stenevik	Board member
Stian Sjølund	Board member
Arne Albrektsen	Board member
Asle Christian Halvorsen	Board member
Björg Hansen	Board member
Ann Jorid Haugland	Board member
Jon Ivar Syvertsen	Deputy board member
Kjell Sunde	Deputy board member

The names and positions of the management of MHWirth AS are set out in the table below:

Name	Position
N/A	N/A

The Guarantor's registered business address also serves as the business address for the members of the board of directors and the management in relation to their directorships and positions in the Guarantor.

Set out below are brief biographies as well as indications of the significant principal activities performed outside the Guarantor for each of the members of the board of directors and the management, where such activities are relevant for the business of the Group, including the names of companies and partnerships of which such person is a member of the administrative management or supervisory bodies or partner (not including directorships and management positions within the Group).

Eirik Bergsvik, Chair

Please refer to information included in Section 8.2.2 above.

Pål Skogerbø, board Member and CEO

Please refer to information included in Section 8.2.2 above.

Dag Arthur Stenevik, board member

Dag Arthur Stenevik has more than 25 years of experience in the oil service, consulting and financial services industries. Currently, he serves as CFO at MHWirth AS. Previously, Mr. Stenevik served in various CFO positions in Cameron and Schlumberger from 2006 to 2018. Other previous experience includes: Manager at KPMG Audits (1998-2001) and CFO of Alloc Flooring (2001-2006). Mr. Stenevik is a Certified Chartered Accountant and holds a Master's degree in Accounting from the Norwegian School of Economics and a Bachelor's Degree in Engineering from the University of Agder.

Stian Sjølund, board member

Stian Sjølund has 27 years of experience in the oil service industry. He started as an engineer at Norcon Engineering before joining MHWirth AS in 2000. Mr. Sjølund has held several positions within the Group, and also spent a number of years abroad as lead in various projects. He currently holds the position of drilling analyst. He is a board member at Akastor ASA and MhWirth AS. He also holds a position as a Group Union Convener for Akastor. Mr. Sjølund holds a degree in engineering from Sørlandets Technical school and has completed two years of electrical engineering at Saint-Gobain.

Arne Albrektsen, board member

Arne Albrektsen has more than 15 years of experience across several HMM companies and currently holds the position of Senior Manager. Mr. Albrektsen has served as a member of the board of directors of MHWirth AS since 2013. Other previous experience includes: Structural Design engineer with Aker MH and Aker Solutions (2009-2013). Mr. Albrektsen holds a Master's degree in Engineering from the NTNU (2009).

Asle Christian Halvorsen, board member

Asle Christian Halvorsen currently holds the position of Sales Manager at HMM and has more than 13 years of experience in the oil and gas industry. He started his career as an Engineer in the Mud Products department at HMM. Other experience includes: director on the board of Akastor ASA (2017-2025), director on the board of MHWirth AS (2021-2025). Mr. Halvorsen holds an Executive Master's degree in Management from BI (2022) and a Bachelor's degree in mechanical engineering from Sør-Trøndelag University College (2011).

Björg Hansen, board member

Björg Hansen has more than 30 years of experience in the Oil service Industry. Currently, she serves as VP HR at MHWirth AS. Currently Björg Hansen holds a board membership in NORWEP (Norwegian Energy Partner). Previous experience includes responsibilities for IT, HSE and Quality Management in MHWirth AS. Björg Hansen holds a Master of Science from NTNU (Norwegian Technical University).

Ann Jorid Haugland, board member

Ann Jorid Haugland has 19 years of experience in the oil and gas industry. She began her career in 2006 at Aker MH and has worked with the company since. Throughout her tenure, Mrs. Haugland has held several positions within the company, working closely with customers on product development, innovation, and design. In 2020, she transitioned to management, where she continues to focus on advancing technology and improving operational efficiencies. Currently, she serves as the Head of Software within a global Engineering organization. Mrs. Haugland holds a Bachelor's degree in Software Engineering from the University of Agder.

Jon Ivar Syvertsen, deputy board member

John Ivar Syvertsen currently holds the position of Instructor at HMM and has more than 20 years of experience in the oil and gas industry. He started his career as a completion Coordinator in the company in 2004 and has worked in several different positions throughout his career in HMM. Last 12 years as an Instructor.

Kjell Sunde, deputy board member

Kjell Sunde currently holds the position of Senior Engineer at HMH and has more than **30** years of experience in the oil and gas industry. He has worked in several different positions throughout his career in HMH. He started his career as civil engineer (MSc) in 1989. Mr. Sunde holds a Bachelor's degree in construction engineering from Western Norway University of Applied Sciences (1985), a Master of Science, structural engineering NTH, NTNU from Norwegian University of Science and Technology (1988), and Coaching from the University of Agder (2010).

8.3.3 Hydril USA Distribution LLC

The names and positions of the members of the board of directors of Hydril USA Distribution LLC are set out in the table below:

Name	Position
Eugene Charles Chauviere III	Board member
David Ewing Bratton	Board member
James Daniel Connelly II	Board member

The names and positions of the management of Hydril USA Distribution LLC are set out in the table below:

Name	Position
Eugene Charles Chauviere III	President
Thomas W. McGee	Vice President & Treasurer
James Daniel Connelly II	Vice President & Secretary
Hunain Qureshi	Vice President
Oscar Rodriguez	Vice President
Stian Revheim	Assistant Secretary

The Guarantor's registered business address also serves as the business address for the members of the board of directors and the management in relation to their directorships and positions in the Guarantor.

Set out below are indications of the significant principal activities performed outside the Guarantor for each of the members of the board of directors and the management, where such activities are relevant for the business of the Group, including the names of companies and partnerships of which such person is a member of the administrative management or supervisory bodies or partner (not including directorships and management positions within the Group).

Eugene Charles Chauviere III, President and board member

Please refer to information included in Section 8.2.2 above.

David Ewing Bratton, board member

David Ewing Bratton holds the position of Senior Vice President, FP&A and Operational Finance of HMH, a role he has held since 2024. Previously, Mr. Bratton served as Chief Financial Officer for HMH's Pressure Control Systems segment (2021-2024) and held various financial management positions for Baker Hughes (2017-2021). Mr. Bratton was employed with General Electric in roles spanning across GE's industrial companies (GE Corporate, GE Aviation, GE Power), with GE's Financial Management Program and as an Audit Manager with GE's Corporate Audit Staff (2012-2017). Mr. Bratton holds a Bachelor of Business Administration (Finance) from the University of Notre Dame (2012).

James Daniel Connelly II, Vice President & Secretary and board member

James Daniel Connelly holds the position of Deputy General Counsel and Senior Vice President at HMH since October 2024. Mr. Connelly also serves as the New Zealand Honorary Consul General and Head of Post in the Houston, Texas Consulate since 2014 for Texas, Louisiana and Oklahoma. Mr. Connelly previously served as

Senior Counsel at Baker Hughes and lead commercial counsel in the North America region for the Oilfield Equipment portfolio of businesses. He was previously a Senior Associate in the International M&A Group with Vinson & Elkins LLP in the Beijing and Houston offices, and was Counsel and head of the corporate group with Wikborg Rein, a European law firm, in the Shanghai office. Mr. Connelly served as a Federal Law Clerk for Chief Judge John H. Hannah, Jr., U.S. District Court, Eastern District of Texas from 2002 until 20023. Mr. Connelly earned a Juris Doctor from South Texas College of Law in Houston, Texas in 2001 and graduated second in his class. Mr. Connelly graduated from the University of Texas at Austin with a Bachelor of Science in Communications in 1992.

Thomas W. McGee, Vice President & Treasurer

Please refer to information included in Section 8.2.2 above.

Hunain Qureshi, Vice President

Mr. Qureshi has served as Senior Vice President and Chief Accounting Officer of HMH Inc. since its formation in April 2024 and as Chief Accounting Officer of HMH Holding B.V. and its subsidiaries since joining HMH Holding B.V., in November 2022. Mr. Qureshi has more than 28 years of experience from the oilfield services, consulting, assurance, tax and transition services companies. Mr. Qureshi has held various accounting, financial, and leadership roles across the oilfield services industry. Prior to joining HMH Holding B.V., he was the Global Corporate Controller for Dril-Quip, Inc. (NYSE: DRQ) and from 2012 to 2017, Mr. Qureshi held various financial and accounting roles at Exterran. Prior to 2012, he held various roles at PricewaterhouseCoopers (PwC) and Ernst & Young (EY) – Middle East practice, with his last role being senior manager in the PwC audit and assurance practice across various firms across the globe. Mr. Qureshi has an Accounting Degree from University of Bahrain and is a Texas Certified Public Accountant (CPA).

Oscar Rodriguez, Vice President

Oscar Rodriguez holds the position of Services Senior VP of HMH since 2022. He has 20 years of experience from the oil field service, and manufacturing industry. Mr Rodriguez served in different technical, operational and leadership positions for Schlumberger (2003-2014). He served as Director for Projects and Services in Baker Hughes (2018-2021). Other previous experience includes: Global Field Services Leader at GE Oil and Gas (2014-2018) and NAM Gulf of Mexico head of operations for downhole tools at Schlumberger (2010-2014). Mr. Rodriguez holds a degree in Chemical Engineering from Western University, Venezuela (2002).

Stian Revheim, Assistant Secretary

Stian Kahrs Revheim holds the position of Chief Compliance Officer at HMH since October 2022. Mr. Revheim previously served as General Counsel at MHWirth AS. He has also worked as Legal Counsel for National Oilwell Varco Norway AS, assisting their Rig Technology portfolio globally. He also practiced as a Lawyer at the law firm Tofte Hald AS and as an Associate at DLA Piper Norway AS in Oslo. Additionally, he has experience serving as a Deputy Judge at the Kristiansand District Court from 2009 until 2011. Mr. Revheim earned his Cand. Jur degree from the University of Oslo in 2006.

8.3.4 Hydril PCB Limited

The names and positions of the members of the board of directors of Hydril PCB Limited are set out in the table below:

Name	Position
Eugene Charles Chauviere III	Board member
David Ewing Bratton	Board member
James Daniel Connelly II	Board member
Hunain Qureshi	Board member
David Gilmore Forsyth	Board member

The names and positions of the management of Hydril PCB Limited are set out in the table below:

Name	Position
N/A	N/A

The Guarantor's registered business address also serves as the business address for the members of the board of directors and the management in relation to their directorships and positions in the Guarantor.

Set out below are indications of the significant principal activities performed outside the Guarantor for each of the members of the board of directors and the management, where such activities are relevant for the business of the Group, including the names of companies and partnerships of which such person is a member of the administrative management or supervisory bodies or partner (not including directorships and management positions within the Group).

Eugene Charles Chauviere III, board member

Please refer to information included in Section 8.3.3 above.

David Ewing Bratton, board member

Please refer to information included in Section 8.3.3 above.

James Daniel Connelly II, board member

Please refer to information included in Section 8.3.3 above.

Hunain Qureshi, board member

Please refer to information included in Section 8.3.3 above.

David Gilmore Forsyth, board member

David Gilmore Forsyth holds the position of Regional Director at HMH since October 2021, Mr. Forsyth was previously Regional Operations manager at Baker Hughes and lead the Oilfield Equipment portfolio of businesses in the Europe and Sub Sahara regions. From 2002 to 2013 Mr Forsyth held positions in Commercial, Global Supply chain, Project management, manufacturing, and Quality at Weatherford. Mr Forsyth earned a PGDip in Project Management in 2009 and graduated from the Robert Gordon's University with a Bachelor of Engineering in Engineering Technology in 1994.

8.3.5 HMH Drilling Asia Pte. Ltd.

The names and positions of the members of the board of directors of HMH Drilling Asia Pte. Ltd. are set out in the table below:

Name	Position
Eugene Charles Chauviere III	Board member
David Ewing Bratton	Board member
James Daniel Connelly II	Board member
Cindy Zhuang Vautrin	Board member
Hunain Qureshi	Board member
Clarence Leong Wai Kit (Liang Weijie)	Board member

The names and positions of the management of HMH Drilling Asia Pte. Ltd are set out in the table below:

Name	Position
N/A	N/A

The Guarantor's registered business address also serves as the business address for the members of the board of directors and the management in relation to their directorships and positions in the Guarantor.

Set out below are indications of the significant principal activities performed outside the Guarantor for each of the members of the board of directors and the management, where such activities are relevant for the business of the Group, including the names of companies and partnerships of which such person is a member of the administrative management or supervisory bodies or partner (not including directorships and management positions within the Group).

Eugene Charles Chauviere III, board member

Please refer to information included in Section 8.3.3 above.

David Ewing Bratton, board member

Please refer to information included in Section 8.3.3 above.

James Daniel Connelly II, board member

Please refer to information included in Section 8.3.3 above.

Cindy Zhuang Vautrin, board member

Cindy Zhuang Vautrin, holds the position of Senior Manager at HMH since May 2024. Ms. Cindy previously served as Head of Finance region Asia at MH Wirth (Singapore) since 2017 and lead finance team in Asian region. She was previously a Head of finance with CB&I Singapore (U.S listed), Illumina Asia (U.S listed), and was the finance Lead in LEGO Singapore (Europe company) and Xilinx Asia Pacific (U.S listed) company. Cindy earned MBA from Manchester University (U.K) and she is a chartered accountant with ACCA (U.K), Australia CPA, Singapore CA, and an Accredited Tax Adviser (ATA) with accreditation from Singapore Chartered Tax Professionals.

Hunain Qureshi, board member

Please refer to information included in Section 8.3.3 above.

Clarence Leong Wai Kit (Liang Weijie), board member

Clarence Leong Wai Kit (Liang Weijie) holds the position of Director, Drilling Lifecycle Services – APAC since 2023. Clarence also presently serves as the Treasurer for IADC South East Asian Chapter since 2024. Clarence was previously the APAC Regional Sales Manager at Baker Hughes for the Subsea Drilling Systems division. Prior to that, he was an engineer in Keppel, a rig construction company based in Singapore. Clarence graduated with an Honours degree in Mechanical Engineering from the National University of Singapore in 2007.

8.3.6 MHWirth LLC

The names and positions of the members of the board of directors of MHWirth LLC are set out in the table below:

Name	Position
Dag Arthur Stenevik	Board member
Askel Matre	Board member
James Daniel Connelly II	Board member
Pål Skogerbø	Board member

The names and positions of the management of MHWirth LLC are set out in the table below:

Name	Position
Dwight William Rettig	President
Dag Arthur Stenevik	Vice President
Askel Matre	Vice President and Treasurer
James Daniel Connelly II	Vice President and Secretary
Hunain Qureshi	Vice President
Sue Gregory	Assistant Secretary

The Guarantor's registered business address also serves as the business address for the members of the board of directors and the management in relation to their directorships and positions in the Guarantor.

Set out below are indications of the significant principal activities performed outside the Guarantor for each of the members of the board of directors and the management, where such activities are relevant for the business of the Group, including the names of companies and partnerships of which such person is a member of the administrative management or supervisory bodies or partner (not including directorships and management positions within the Group).

Dag Arthur Stenevik, Vice President and board member

Please refer to information included in Section 8.3.2 above.

Askel Matre, Vice President & Treasurer and board member

Please refer to information included in Section 8.3.3 above.

James Daniel Connelly II, Vice President & Secretary and board member

Please refer to information included in Section 8.3.3 above.

Pål Skogerbø, board member

Please refer to information included in Section 8.2.2 above.

Dwight William Rettig, President

Please refer to information included in Section 8.2.2 above.

Hunain Qureshi, Vice President

Please refer to information included in Section 8.3.3 above.

Sue Gregory, Assistant Secretary

Sue Gregory holds the position of Senior Contracts Manager at HMH since October 2021. Ms. Gregory previously served as Contracts Manager for the Pressure Control Systems businesses within Baker Hughes and GE Oil & Gas since 2014. Ms. Gregory has over 38 years of experience in commercial proposal development, contract management, and corporate secretarial services. Previously, she served from 1985 to 2014 in various commercial, marketing and legal management roles for Synagro Technologies, a water and wastewater residuals recycling company. Ms. Gregory has a certificate in Office Management from Woodridge Business Institute and a certificate in Paralegal Studies from Houston Community College.

8.3.7 MHWirth GmbH

The names and positions of the members of the board of directors of MHWirth GmbH are set out in the table below:

Name	Position
Pål Skogerbø	Chairman of the board
Dag Arthur Stenevik	Board member
Jan Petter Knutsen	Board member
Magne Hovland	Board member
Christoph Pickartz	Board member (employee representative)
Ellen Jacobs	Board member (employee representative)

The names and positions of the management of MHWirth GmbH are set out in the table below:

Name	Position
Joachim Schlebusch	Managing Director

The Guarantor's registered business address also serves as the business address for the members of the board of directors and the management in relation to their directorships and positions in the Guarantor.

Set out below are indications of the significant principal activities performed outside the Guarantor for each of the members of the board of directors and the management, where such activities are relevant for the business of the Group, including the names of companies and partnerships of which such person is a member of the administrative management or supervisory bodies or partner (not including directorships and management positions within the Group).

Pål Skogerbø, board member

Please refer to information included in Section 8.2.2 above.

Dag Arthur Stenevik, board member

Please refer to information included in Section 8.3.2 above.

Jan Petter Knutsen, board member

Jan Petter Knutsen has 28 years of experience from HMH and subsidiaries, and serves as Senior Vice President Global DLS (Drilling Lifecycle Services) since 2016. Mr. Knutsen held positions as VP/SVP Region Europe, Global Overhaul Manager, Production/planning manager, Customer Service Center manager and workshop/Warehouse manager. Mr. Knutsen holds a technical degree from Teknisk Fagskole (1994) and a financial and administration degree from University of Agder (1996).

Magne Hovland, board member

Magne Hovland has more than 20 years of experience from the oil service and the financial service industries. Mr. Hovland currently serves as Vice President Strategic Initiatives for HMH and has previously served as SVP Operations for HMH-ESS. Prior experience includes: COO, as well as several VP positions within Operations, at MHWirth; various Management positions at National Oilwell Varco; and management position and JV coordination at Credigy Solutions Inc. (subsidiary of National Bank of Canada). Mr. Hovland holds a Master of Business Administration (MBA) and a Bachelor of Business Administration (BBA) from Griffith University (2001).

Christoph Pickartz, board member (employee representative)

Christoph Pickartz has 19 years of experience from HMH Erkelenz. Mr. Pickartz currently holds the position of Lead IT Coordinator. He started his career as IT administrator and held various positions in the IT department. He is member of the Work Council since 2014, is a member of the Supervisory Board at MHWirth GmbH since 2023 and a member of the Global Work Council since 2022, currently in position of secretary.

Ellen Jacobs, board member (employee representative)

Ellen Jacobs has 43 years of experience from HMH Erkelenz. Ms. Jacobs held various positions after her education e.g. as assistant in the engineering office for more than 20 years and 15 years as project manager. She serves as Chairwoman in the Work Council since 2021, is a member of the Supervisory Board at MHWirth GmbH since 2014 and was a member of the Global Work Council from 2014 to 2022.

Joachim Schlebusch, Managing Director

Joachim Schlebusch has 20 years of experience from the oil and gas industry, as well as other international industrial experience. Mr. Schlebusch holds the position of Managing Director of MHWirth GmbH since 2022. Mr. Schlebusch worked in various positions, such as: Head of Finance and Controlling (2019), Board Member of MHWirth GmbH (2019-2022) and CFO/CAO (2022). Mr. Schlebusch holds a diploma in mergers and acquisitions from FOM University of Applied Sciences for Economics and Management (2009) and a diploma in international management from Avans Hogeschool (2010).

8.3.8 MHWirth FZE

The names and positions of the members of the board of directors of MHWirth FZE are set out in the table below:

Name	Position
Pål Skogerbø	Board member
Walid Galal Kotb Mohamed	Board member

The names and positions of the management of MHWirth FZE are set out in the table below:

Name	Position
Rakan Al Saifi	General Manager L.L.C.

The Guarantor's registered business address also serves as the business address for the members of the board of directors and the management in relation to their directorships and positions in the Guarantor.

Set out below are indications of the significant principal activities performed outside the Guarantor for each of the members of the board of directors and the management, where such activities are relevant for the business of the Group, including the names of companies and partnerships of which such person is a member of the administrative management or supervisory bodies or partner (not including directorships and management positions within the Group).

Pål Skogerbø, board member

Please refer to information included in Section 8.2.2 above.

Walid Galal Kotb Mohamed, board member

Walid Galal Kotb Mohamed has more than 18 years of experience from the oil and gas industry, equipment and drilling optimization services. Walid Galal Kotb Mohamed holds the position of Senior Sales Manager MENA since March, 2020. Mr. Mohamed served as Regional Sales Manager of the Instrumentation, Monitoring and Optimization Division for MEA at National Oilwell Varco (2012-2014). Other previous experience includes: Senior Sales manager MENA region of MHWirth (2014-2022), Operations and Sales Director in Wildcat Oil Services (2006-2011 and Senior Equipment Mechanical Engineer in Egyptian Drilling Company (2003-2006). Mr. Mohamed holds a degree in Mechanical Engineering from Ain Shams University (2002).

Rakan Al Saifi, General Manager L.L.C.

Rakan Al Saifi has more than 16 years of experience in the oil and gas industry. Mr. Al Saifi holds the position of General Manager of MHWirth FZE since January 15, 2020. He previously worked with a drilling contractor locally, and held several placements in International Organizations in the UK. Mr. Al Saifi holds a Bachelor's degree in Mechanical Engineering from The University of Manchester and a Master's degree in Maintenance Engineering & Asset Management. He's granted a Golden status in the UAE from Abu Dhabi Government for Specialized Talent.

8.3.9 MHWirth do Brasil Equipamentos Ltda.

The names and positions of the members of the board of directors of MHWirth do Brasil Equipamentos Ltda. are set out in the table below:

Name	Position
¹ There is no legal requirement to constitute a Board of Director in a Brazilian limited liability company. As of the date of this prospectus, Marina Medina acts as the sole managing director with powers to represent the company. Some resolutions and transactions over a certain limit are subject to shareholders' approval.	

The names and positions of the management of MHWirth do Brasil Equipamentos Ltda. are set out in the table below:

Name	Position
Marina Medina	Managing Director

The Guarantor's registered business address also serves as the business address for the members of the board of directors and the management in relation to their directorships and positions in the Guarantor.

Set out below are indications of the significant principal activities performed outside the Guarantor for each of the members of the board of directors and the management, where such activities are relevant for the business of the Group, including the names of companies and partnerships of which such person is a member of the administrative management or supervisory bodies or partner (not including directorships and management positions within the Group).

Marina Medina, Sole Managing Director

Marina Medina holds the position of managing director of HMH in Brazil since 2025. She has been leading MHWirth Brazil and HMH Brazil's Legal and Compliance Department for the last 10 years, where she played a key role in supporting complex industrial projects, ensuring regulatory alignment, and fostering a culture of integrity and transparency and risk mitigation strategies within the company. From 2017 to 2020, she was responsible for MHWirth's Legal and Compliance department in Americas, based in Houston - TX, USA.

With a strong foundation in corporate law and regulatory affairs, Marina Medina has been instrumental in navigating legal frameworks for large-scale operations and cross-border transactions. Her earlier career included serving as legal counsel for key industry initiatives, providing strategic advisory across contractual, environmental, and compliance matters. Known for a hands-on and solutions-driven leadership style, Marina Medina is committed to operational excellence, sustainable growth, and collaborative stakeholder engagement. She holds a law degree from Federal University of the Rio de Janeiro State and a LL.M from Fundação Getulio Vargas and regularly contributes to discussions on compliance best practices in the energy and engineering sectors.

8.4 Conflicts of interests

There are no actual or potential conflicts of interest between any duties to the Issuer and to each of the Guarantors of the board of directors and management and their private interest or other duties. There are no family relations between any of the members of the respective board of directors and management of the Issuer and of each Guarantor.

9 CORPORATE INFORMATION

The following is a summary of certain corporate information relating to the Issuer and the Guarantors, including summaries of certain provisions of the articles of association of the Issuer and each Guarantor. The summary does not purport to be complete and is qualified in its entirety by applicable law and the articles of association of the Issuer and each Guarantor.

9.1 Corporate information relating to the Issuer

9.1.1 General information

The Issuer's registered name is HMH Holding B.V., while its commercial name is "HMH". The Issuer is a private limited liability company (NL.: *besloten vennootschap met beperkte aansprakelijkheid*) validly incorporated on 28 April 2021 (at that time named: MHH Holding B.V.) and existing under the laws of the Netherlands and in accordance with the Dutch Civil Code. The Issuer is registered with the Commercial Register of the Chamber of Commerce (NL.: *Handelsregister van de Kamer van Koophandel*) under registration number 82719322. The Issuer's corporate seat is in Amsterdam, the Netherlands and its registered business address is Weerdestein 97, 1083GG Amsterdam, the Netherlands, which is also its principal place of business. The telephone number to the Issuer's principal offices is +47 38 05 70 00 and its website is <https://hmlhw.com/>. The information presented on the Issuer's website does not form part of the Prospectus. The Issuer's LEI code is 8945008FRZIYPW0VW366.

The Bonds are registered in book-entry form with the CSD under ISIN NO0013063495. Nordic Trustee Services AS, with registered business address Kronprinsesse Märthas plass 1, N-0116 Vika, Norway, is responsible for keeping the records.

9.1.2 Corporate purpose

Pursuant to article 2.2 of the Articles of Association (translated from the original Dutch language version), the objects of the Issuer are:

- to incorporate, to in any manner participate or take any other interest in, to manage and to supervise businesses and companies of whatever nature;
- to give advice and to provide services to businesses and companies with which the Issuer is affiliated;
- to finance businesses and companies with which the Issuer is affiliated;
- to borrow and to raise funds, including the issuing of bonds, debentures or other securities, and to enter into related agreements; and
- to issue guarantees, to commit the Issuer and to encumber the assets of the Issuer for the benefit of businesses, companies and other legal entities with which the Issuer is affiliated in a group and for the benefit of third parties,

as well as any and all things that are related or may be conducive to the above, all of this in the broadest sense of the word.

9.1.3 Share capital and shareholder rights

The share capital of the Issuer consists of two classes of ordinary shares: shares A and shares B. All shares have a nominal value of one euro (EUR 1) each. The shares A track the Issuer's U.S. operations and the shares B track the Issuer's non-U.S. operations and give entitlement to the results from the Issuer's U.S. operations and the non-U.S. operations, respectively. Apart from this, pursuant to and under the Articles of Association, the corporate rights attached to the shares A and the shares B are similar. The total issued capital of the Issuer amounts to EUR 200

and is divided in 100 shares A and 100 shares B. All issued shares are fully paid-up and are subject to, and have been created under, the laws of the Netherlands. As set out below in Section 9.3 (*Major shareholders*), the Issuer has three shareholders. The shares A are issued to Baker Hughes Holdings LLC (50 shares A with indication "Bear Shares A") and Mercury HoldCo Inc. (50 shares A with indication "Titan Shares A"). The shares B are issued to Baker Hughes Holdings LLC (50 shares B with indication "Bear Shares B") and Akastor AS (50 shares B with indication "Titan Shares B").

Each Issuer's share confers the right to cast one vote in the Issuer's general meeting. Pursuant to the Articles of Association, a shareholder can only be a person who is a party to or has adhered to the Shareholders' Agreement (as further set out and defined under Section 9.3 (*Major shareholders*) below). Shareholders may also be those who are exempted from fulfilling this ownership requirement by a resolution of the general meeting. If and for as long as a shareholder fails to fulfil, and is not exempted from fulfilling the ownership requirement, all voting rights, meeting rights and rights to dividends and other distributions or payments that are attached to the shares held by the shareholder concerned shall be suspended. There are no arrangements, known to the Issuer, the operation of which may at a subsequent date result in a change in control of the Issuer.

9.2 Legal structure

The Issuer is the parent company of the Group. The Issuer has no independent means of generating revenue and depends on its operating subsidiaries (as set out in the table below) for carrying out the Group's operations. In particular, the Issuer depends on Hydril USA Distribution LLC, MHWirth LLC and MHWirth AS which, on a consolidated basis, taken together represent 100% of the net assets of the Issuer's group and 100% of the group's Adjusted EBITDA (as at 31 December 2024). The main portion of the Group's cash balance is held at subsidiary level to cover the daily liquidity requirements of the operating subsidiaries. As such, the Issuer is dependent on the upstreaming of cash and dividends from its subsidiaries in order to service its debt and operational expenditures. For a description of the risks related to the Issuer's dependency on distributions from its subsidiaries with respect to the Bonds, see Section 2.6.5 (*The Issuer is predominantly a holding company and will accordingly be dependent upon distributions from its subsidiaries to meet its obligations under the Bonds*).

The table below sets out brief information about the Issuer's direct and indirect subsidiaries, including country of incorporation. Several of the subsidiaries in the list below have granted security for the Bonds as Guarantor, see Section 9.4 (*Selected corporate information relating to the Guarantors*).

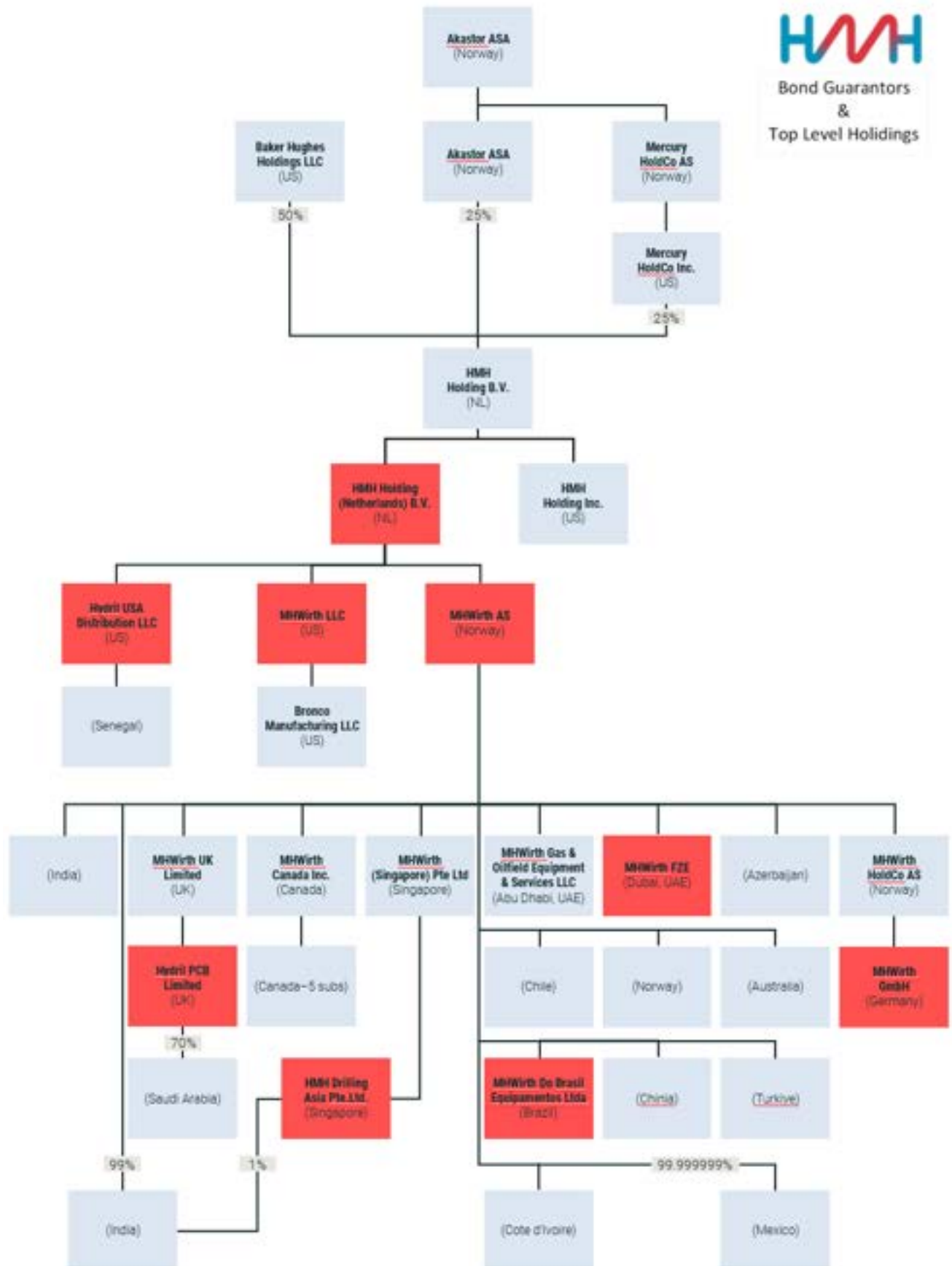
	Company name	Ownership	Domicile
Holding company Direct subsidiary of the Issuer	HMH Holding (Netherlands) B.V. (Guarantor)	100%	The Netherlands
	HMH Holding Inc.	100%	USA
Operating subsidiaries indirectly held through HMH Holding (Netherlands) B.V.	MHWirth Pty Ltd	100%	Australia
	MHWirth do Brasil Equipamentos Ltda (Guarantor)	100%	Brazil
	MHWirth Canada Inc.	100%	Canada
	MHWirth Chile SpA	100%	Chile
	MHWirth India Private Ltd	100%	India
	MHWirth AS (Guarantor)	100%	Norway
	MHWirth HoldCo AS	100%	Norway
	MHWirth (Singapore) Pte Ltd	100%	Singapore
	MHWirth FZE (Guarantor)	100%	United Arab Emirates
	MHWirth Gas & Oilfield Equipment & Services LLC	49% ⁽¹⁾	United Arab Emirates
	MHWirth UK Ltd	100%	United Kingdom
	MHWirth LLC (Guarantor)	100%	USA
	MHWirth GmbH (Guarantor)	100%	Germany

	MHWirth Offshore Petroleum Engineering (Shanghai) Co Ltd	100%	China
	Bronco Manufacturing, LLC	100%	USA
	Electrical Subsea & Drilling AS	100%	Norway
	Hydril PCB Canada Inc.	100%	Canada
	Roughneck Holding Inc.	100%	Canada
	Drillform Technical Services Ltd.	100%	Canada
	Drillform Drilling Equipment Inc.	100%	USA
	Drillform Oilfield Equipment Services LLC	49% ⁽²⁾	United Arab Emirates
	HMH Drilling Engineering Services of India Pvt Ltd	100%	India
	Hydril Pressure Control (Ivory Coast) SASU	100%	Cote d'Ivoire
	Hydril Pressure Control S. de R.L. de C.V.	99.99%	Mexico
	Hydril Pressure Controlling Arabia Limited	70%	Saudi Arabia
	Hydril Pressure Control SASU	100%	Senegal
	HMH Drilling Asia Pte (Guarantor)	100%	Singapore
	Hydril PCB Limited (Guarantor)	100%	United Kingdom
	Hydril USA Distribution LLC (Guarantor)	100%	USA
	HMH Turkey Petrol ve Dogal Gaz Ekipmanian ve Hizmetleri Anonim Şirketi	100%	Turkey

(1) The other shareholder of MHWirth Gas & Oilfield Equipment & Services LLC is not active, has no right for dividend or appoint the Board of Directors. The Group considers to have full control of the company and consolidates the company in the Group's financials without non-controlling interests.

(2) 51% of the shares are held by Gate Way Commercial Brokers L.L.C., which is a sponsor due to local requirements. The sponsor has no dividend or voting rights. The Group considers to have full control of the company and consolidates the company in the Group's financials without non-controlling interests.

A simplified corporate Group structure chart (excluding certain operating subsidiaries, including the Guarantors indicated in red) is set out below:



9.3 Major shareholders

As of the date of this Prospectus, the Issuer's shares are held by three shareholders, as set below:

Shareholder	No. of Shares	Ownership/voting rights
Baker Hughes Holdings LLC	50 A shares 50 B shares	50.00%
Akastor AS	50 B shares	25.00%
Mercury HoldCo Inc.	50 A shares	25.00%
Total		100.00%

Akastor AS and Mercury Holdco Inc. are wholly owned by Akastor ASA.

Both class A and Class B shares have voting rights and vote together as a single class on all matters presented for their vote or approval, except as otherwise required by applicable law or the Issuer's Articles of Association. Class A shares track the Issuer's US operations, while class B shares track its non-US operations.

On 1 October 2021, the Issuer, together with its (indirect) shareholders (Baker Hughes Holdings LLC, Akastor ASA, Akastor AS and Mercury Holdco Inc.), entered into a shareholders' agreement, which shareholders' agreement was amended and restated on 8 February 2024 (the "**Shareholders' Agreement**"). The Shareholders' Agreement and any non-contractual obligations arising out of or in connection with it are governed by the applicable laws of England and Wales.

The Shareholders' Agreement regulates the ongoing relationship between the Issuer and its shareholders. The Shareholders' Agreement covers corporate governance related matters, in particular setting out rights for the shareholders, meeting certain shareholding thresholds, to nominate Board Members for appointment and replacement.

Further, the Shareholders' Agreement contains mechanisms to ensure that control is not abused by a current or future (major) shareholder. In this regard, material matters related to the Issuer require the affirmative written consent of the shareholders' meeting subject to a threshold of a shareholding percentage of 10% or greater in the Issuer (pursuant to which threshold all three current shareholders are, at the date of this Prospectus, entitled to this approval right) (the "**Required Shareholder Actions**"). The Required Shareholder Actions include the right to approve (i) the entrance into, amendment of or modification of the Articles of Association or other constitutional documents of the Issuer, (ii) any increase or decrease of the number of persons comprising the Board, (iii) any voluntary liquidation or dissolution of the Issuer, (iv) any issuance or repurchase of Issuer's shares, (v) certain business plans and budgets related to the Issuer, (vi) capital expenditures of the Issuer in excess of USD 10,000,000 (individually and in the aggregate) and (vii) the appointment or removal of the auditors for the Issuer and (viii) any related party transaction.

The Articles of Association also include provisions on decision-making by the Issuer's general meeting to ensure that control is not abused. Resolutions of the general meeting can only be adopted in a meeting where more than 50% of the Issuer's issued and outstanding share capital is present or represented. Resolutions of the general meeting are adopted by an absolute majority of the votes cast, unless the law or the Articles of Association specifically require a larger majority. In case of a tie in votes, the proposal shall be rejected. The Issuer directly or indirectly holds 100% of the shares and votes in each Guarantor. As such, the Issuer's shareholders exercise control over the Issuer and the Group. Neither the Issuer nor any of the Guarantors hold any treasury shares, and none of the Guarantors nor any of the Issuer's other subsidiaries hold shares in the Issuer.

9.4 Selected corporate information relating to the Guarantors

Several subsidiaries of the Issuer have granted security for the Bonds as Guarantor. The relevant corporate information for each of the Guarantors is listed below.

9.4.1 *HMH Holding (Netherlands) B.V.*

The Guarantor's registered name is HMH Holding (Netherlands) B.V, while its commercial name is "HMH". The Guarantor is a private limited liability company (NL.: *besloten vennootschap met beperkte aansprakelijkheid*) validly incorporated on 8 February 2024 and existing under the laws of the Netherlands and in accordance with the Dutch Civil Code. The Issuer is registered with the Commercial Register of the Chamber of Commerce (NL.: *Handelsregister van de Kamer van Koophandel*) under registration number 92899412.

The Guarantor's corporate seat is in Amsterdam, the Netherlands and its registered business address is Weerdestein 97, 1083GG Amsterdam, the Netherlands, which is also its principal place of business. The telephone number to the Guarantor's principal offices is +47 38 05 70 00 and the website is <https://hmlhw.com/>. The information presented on this website does not form part of the Prospectus. The Guarantor's LEI code is 254900CY4VH9K3OHL84.

Pursuant to the articles of association of the Guarantor (translated from the original Dutch language version), the objects of the Guarantor are:

- to incorporate, to in any manner participate or take any interest in, to manage and to supervise businesses and companies of whatever nature;
- to give advice and to provide services to businesses and companies with which the Issuer is affiliated;
- to finance businesses and companies with which the Guarantor is affiliated;
- to borrow and to raise funds, including the issuing of bonds, debentures or other securities, and to enter into related agreements; and
- to issue guarantees, to commit the Issuer and to encumber the assets of the Guarantor for the benefit of businesses, companies and other legal entities with which the Guarantor is affiliated in a group and for the benefit of third parties,

as well as any and all things that are related or may be conducive to the above, all of this in the broadest sense of the word.

HMH Holding (Netherlands) B.V. is incorporated by HMH Holding B.V. at the occasion of a legal demerger, effective as per 8 February 2024. The Guarantor is, as of the date of this Prospectus, a wholly-owned subsidiary of HMH Holding B.V. The share capital of the Guarantor consists of two classes of ordinary shares: shares A and shares B. All shares have a nominal value of one euro (EUR 1) each. The shares A track the Guarantor's U.S. operations and the shares B track the Guarantor's non-U.S. operations and give entitlement to the results from the Guarantor's U.S. operations and the non-U.S. operations, respectively. Apart from this, pursuant to and under the articles of association of the Guarantor, the corporate rights attached to the shares A and the shares B are similar. The total issued capital of the Guarantor amounts to EUR 4 and is divided in two shares A and two shares B. All issued shares are fully paid-up and are subject to, and have been created under, the laws of the Netherlands. Pursuant to and under the articles of association of the Guarantor, the corporate rights that are attached to the shares do not differ between shares A and shares B.

9.4.2 *MHWirth AS*

The Guarantor's registered name is MHWirth AS, while its commercial name is "MHWirth". The Guarantor is a private limited liability company (NW.: *aksjeselskap*), validly incorporated on 27 February 1987 and existing under the laws of Norway and in accordance with the Norwegian Private Limited Liabilities Companies Act. The Guarantor is registered with the Norwegian Register of Business Enterprises (NW.: *Foretaksregisteret*) with registration number 942 524 544.

The Guarantor's registered business address is Butangen 20, 4639 Kristiansand S, Norway, which is also its principal place of business. The telephone number to the Guarantor's principal offices is +47 38 05 70 00 and the website is <https://hmhw.com/>. The information presented on this website does not form part of the Prospectus. The Guarantor's LEI code is 549300HDWI4UGF5PXN97.

Pursuant to article 3 of the Guarantor's articles of association, the corporate purpose of the Guarantor is industrial activities and trade, as well as obtaining and application of patents, inventions and technical know-how. The company may also participate or cooperate with other private or public sector businesses.

As of the date of this Prospectus, the share capital of MHWirth AS is NOK 100,200,004, divided into 100,200,004 shares, each with a nominal value of NOK 1. All shares are validly issued and fully paid.

9.4.3 *Hydril USA Distribution LLC*

The Guarantor's registered name is Hydril USA Distribution LLC, while its commercial name is "Hydril". The Guarantor is a limited liability company, validly incorporated on 28 February 2008 and existing under the laws of the state of Delaware and in accordance with the Delaware Limited Liability Companies Act. The Guarantor is registered with the Delaware Division of Corporations with registration number 4511531.

The Guarantor's registered business address is 3300 North Sam Houston Parkway East, Houston 77032, Texas, USA, which is also its principal place of business. The telephone number to the Guarantor's principal offices is +1 281 371 2424 and the website is <https://hmhw.com/>. The information presented on this website does not form part of the Prospectus. The Guarantor's LEI code is 549300S3DZSMR28PBY38.

According to clause 2 of the Limited Liability Company Agreement, the Guarantor is formed for the purpose of engaging in any lawful act or activity for which a limited liability company may be organized under the Delaware Limited Liability Company Act.

Hydril USA Distribution LLC does not have any shares issued. It is a limited liability company, and its sole 100% member is HMM Holding (Netherlands) B.V.

9.4.4 *Hydril PCB Limited*

The Guarantor's registered name is Hydril PCB Limited, while its commercial name is "Hydril". The Guarantor is a private limited company, validly incorporated on 9 May 1979 and existing under the laws of England and Wales and in accordance with the UK Companies Act 2006. The Guarantor is registered with the UK Companies House with registration number 1418491.

The Guarantor's registered business address is C/O Tmf Group 13th Floor, One Angel Court, London, United Kingdom, EC2R 7HJ, which is also its principal place of business. The telephone number to the Guarantor's principal offices is +44 1224 040448 and the website is <https://hmhw.com/>. The information presented on this website does not form part of the Prospectus. The Guarantor's LEI code is 93B04WSV2YH2GAMGHL39.

The corporate purpose of the Guarantor is repair of fabricated metal products.

As of the date of this Prospectus, the share capital of Hydril PCB Limited is GBP 6,057,550, divided into 6,057,550 shares, each with a nominal value of GBP 1. All shares are validly issued and fully paid.

9.4.5 *HMM Drilling Asia Pte. Ltd.*

The Guarantor's registered name is HMM Drilling Asia Pte. Ltd, while its commercial name is "HMM". The Guarantor is a limited company, validly incorporated on 31 October 2007 and existing under the laws of Singapore and in

accordance with the Singapore Companies Act 1967. The Guarantor is registered with the Accounting and Corporate Regulatory Authority of Singapore with registration number FEIN: 98-0565104.

The Guarantor's registered business address is 25 Benoi Road, Singapore 629876, which is also its principal place of business. The telephone number to the Guarantor's principal offices is +65 6262 6633 and the website is <https://hmhw.com/>. The information presented on this website does not form part of the Prospectus. The Guarantor's LEI code is 7M2Q77WI4MC6Z0NHKK48.

The objectives and purpose of the entity is not listed in the formation documents. The activities of the Guarantor relate to the manufacture and repair of process control equipment and related products.

As of the date of this Prospectus, the share capital of HMH Drilling Asia Pte Ltd is USD 8,310,992, divided into 8,310,992, each with a nominal value of USD 1. All shares are validly issued and fully paid.

9.4.6 MHWirth LLC

The Guarantor's registered name is MHWirth LLC, while its commercial name is "MHWirth". The Guarantor is a limited liability company, validly incorporated on 3 June 2014 and existing under the laws of the state of Delaware and in accordance with the Delaware Limited Liability Companies Act. The Guarantor is registered with the Delaware Division of Corporations with registration number 862578796. The Guarantor's registered business address is 3300 North Sam Houston Parkway East, Houston 77032, Texas, USA, which is also its principal place of business. The telephone number to the Guarantor's principal offices is +1 281 371 2424 and the website is <https://hmhw.com/>. The information presented on this website does not form part of the Prospectus. The Guarantor's LEI code is 254900GX9VASR5A88I75.

The corporate purpose of the Guarantor is engaging in any lawful act or activity for which a limited liability company may be organized under the Delaware Limited Liability Company Act.

MHWirth LLC does not have any shares issued. It is a limited liability company, and its sole 100% member is HMH Holding (Netherlands) B.V.

9.4.7 MHWirth GmbH

The Guarantor's registered name is MHWirth GmbH, while its commercial name is "MHWirth". The Guarantor is a limited liability company, validly incorporated in 1895 and existing under the laws of Germany and in accordance with the German Limited Liability Companies Act (GmbHG). The Guarantor is registered with the Commercial Register of the District Court of Mönchengladbach with registration number DE 122387896.

The Guarantor's registered business address is Kölner Str. 71-73, 41812 Erkelenz, Germany, which is also its principal place of business. The telephone number to the Guarantor's principal offices is +49 2431 83-0 and the website is <https://hmhw.com/>. The information presented on this website does not form part of the Prospectus. The Guarantor's LEI code is 967600HPWLDN8B7I6R95.

Pursuant to article 3 of the Guarantor's articles of association, the objectives of the company are as follows:

- The object of the company is the manufacture, development, design, distribution and leasing of machines of all kinds, and the sale and leasing of all types of machinery, in particular drilling rigs, pumps, roadheaders, tunnel and shaft boring machines, and related products, including tools and spare parts, as well as the realization of all related business.
- The further object of the company is the contract hardening shop, heat treatment and the hiring out of employees for commercial purposes. The company may take all other business measures which are suitable to promote the purpose of the company. The company may invest in other companies of the same

or a similar kind and may establish branches.

As of the date of this Prospectus, the share capital of MHWirth GmbH is EUR 9,328,700, divided into 13 shares, each share with a nominal value as set out below:

- Share number 1: EUR 1,718,648
- Share number 2: EUR 335,512
- Share number 3-6: EUR 342,360 each
- Share number 7: EUR 622,856
- Share number 8: EUR 121,594
- Share number 9-12: EUR 124,075 each
- Share number 13: EUR 4,664,350

All shares are validly issued and fully paid.

9.4.8 MHWirth FZE

The Guarantor's registered name is MHWirth FZE, while its commercial name is "MHWirth". The Guarantor is a free zone establishment, validly incorporated on 17 April 2008 and existing under the laws of the United Arab Emirates and in accordance with the UAE Commercial Companies Law No. 2 of 2015. The Guarantor is registered with the Jebel Ali Free Zone with registration number 108551.

The Guarantor's registered business address is Office 1025, Lvl.10, Tower B, JAFZA One Building, JAFZA, Dubai, UEA, which is also its principal place of business. The telephone number to the Guarantor's principal offices is +971 4 550 6200 and the website is <https://hmhw.com/>. The information presented on this website does not form part of the Prospectus. The Guarantor's LEI code is 2549002OSPK1PVMSDD74.

Pursuant to article 3 of the Guarantor's articles of association, the objectives of the company are as follows:

- Well drilling equipment trading, oilfield & natural gas equipment & spare parts trading;
- To carry on all such business within the area of the Jebel Ali Free Zone as the Jebel Ali Free Zone Authority may permit under the terms of the licence issued in respect of the company; and
- To carry on any other trade or business which can be carried on by the company in connection with or as ancillary to and of the company's business objectives or general business of the company.

As of the date of this Prospectus, the share capital of MHWirth FZE is AED 10,000,000, divided into 10 shares, each with a nominal value of AED 1,000,000. All shares are validly issued and fully paid.

9.4.9 MHWirth do Brasil Equipamentos Ltda.

The Guarantor's registered name is MHWirth do Brasil Equipamentos Ltda, while its commercial name is "MHWirth". The Guarantor is a limited liabilities company, validly incorporated on 2 October 2017 and existing under the laws of Brazil and in accordance with the Brazilian Civil Code. The Guarantor is registered with the National Registry of Legal Entities of Brazil with registration number 28.779.772/0001-92.

The Guarantor's registered business address is Rua Sergio Roberto Franco, s/n, Quadra 03 parte, Macaé, RJ, Brazil, which is also its principal place of business. The telephone number to the Guarantor's principal offices is +55 22 2141-3163 and the website is <https://hmhw.com/>. The information presented on this website does not form part of the Prospectus. The Guarantor's LEI code is 2549001CTMF1GYVFLF89.

Pursuant to article 3 of the Guarantor's articles of association, the objectives of the company are as follows:

- Purchase, sale, manufacture, import, installation, maintenance, technical assistance, provision of training services, supervision operation and leasing of equipment, machinery and accessories related to oil and gas and mineral industries, directly or indirectly, including offshore services;
- Real estate rent; and
- Participation in other companies, either as a shareholder or stockholder.

As of the date of this Prospectus, the share capital of MHWirth do Brasil Equipamentos Ltda. is BRL 10,000, divided into 10,000 shares, each with a nominal value of BRL 1. All shares are validly issued and fully paid.

10 SELLING AND TRANSFER RESTRICTIONS

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 securities described herein. The Issuer is not taking any action to permit a public offering of the Bonds 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 the Netherlands or 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 Bonds (or any other securities described herein), unless, in the relevant jurisdiction, such an invitation or offer could lawfully be made to that investor, or the Bonds (or any other securities described herein) 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 Bonds, to any person or in or into any jurisdiction where to do so would or might contravene local securities laws or regulations.

10.1 Selling and transfer restrictions

10.1.1 United States

The Bonds have not been, and will not be, registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction in the United States, and may not be offered or sold within the United States.

10.1.2 Other jurisdictions

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

11 ADDITIONAL INFORMATION

11.1 Independent auditor

The Issuer's independent auditor is KPMG Accountants N.V., with business address Laan van Langerhuize 1 Amstelveen, 1186 DS, the Netherlands. The auditors of KPMG Accountants N.V. are members of the professional body *Koninklijke Nederlandse Beroepsorganisatie van Accountants*, the professional institute for the accountant sector in the Netherlands.

11.2 Advisors

DNB Markets, a part of DNB Bank ASA, with registration number 984 851 006 and registered business address Dronning Eufemias gate 30, N-0191, Oslo, Norway and Nordea Bank ABP, filial i Norge, with registration number 920 058 817 and registered business address Essendrops gate 7, N-0368, Oslo, Norway, have acted as global coordinators in connection with the Bond Issue.

Arctic Securities AS, with registration number 991 125 175 and registered business address Haakon VII's gate 5, N-0161, Oslo, Norway, and Pareto Securities AS, with registration number 956 632 374 and registered business address Dronning Mauds gate 3, N-0250 Oslo, Norway, together with the global coordinators, have acted as joint bookrunners in connection with the Bond Issue.

De Brauw Blackstone Westbroek N.V., with registration number 27171912 and registered business address Burgerweeshuispad 201, 1076 GE Amsterdam, the Netherlands, has acted as Dutch legal counsel to the Issuer in connection with the Listing.

Wikborg Rein Advokatfirma AS, with registration number 916 782 195 and registered business address Dronning Mauds gate 11, N-0250 Oslo, Norway, has acted as Norwegian legal counsel to the Issuer in connection with the Listing.

11.3 Availability of Documents

The Bond Terms and Articles of Association (or copies thereof) may be obtained for the term of the Prospectus in electronic form free of charge from the Company's website at www.hmh.com. The content of the website is not incorporated by reference into, and does not otherwise form part of, this Prospectus.

12 DEFINITIONS AND GLOSSARY OF TERMS

AED	United Arab Emirates dirham, the lawful currency of the United Arab Emirates
Adjusted EBITDA	Corresponds to operating profit/loss plus long-term incentive plan, restructuring and other non-recurring cost and depreciation, amortization and impairment and where appropriate has the meaning ascribed to it in the Bond Terms, see Section 4.1 Appendix 2
Additional Bonds	Has the meaning ascribed to it in the Bond Terms, see Section 4.1 Appendix 2
AFM	The Dutch Authority for the Financial Markets (NL.: <i>Stichting Autoriteit Financiële Markten</i>)
Agreed Security Principles	Has the meaning ascribed to it in the Bond Terms, see Section 4.1 Appendix 2
APMs	Alternative performance measures
Articles of Association	The articles of association of the Issuer, last amended 22 October 2024, attached hereto as Appendix 1
The Asset Sale Put Option	Has the meaning ascribed to it in the Bond Terms, see Section 4.1 Appendix 2
Asset Sale Put Option Amount	Has the meaning ascribed to it in the Bond Terms, see Section 4.1 Appendix 2
Board of Directors or Board Member(s)	The members of the board of directors of the Issuer, or any one of them
Bondholder	Holders of the Bonds from time to time
Bond Issue	The USD 200,000,000 (but up to USD 275,000,000) bond issue of the 3-year 9.875% senior secured USD 275,000,000 bonds 2023/2026 with ISIN NO 001 3063495 (initial temporary ISIN NO0013063487)
Bond Terms	The bond terms entered into on 15 November 2023 between the Issuer as issuer and Nordic Trustee AS as bond trustee on behalf of the Bondholders and as amended and restated on 10 February 2025
Bond Trustee	Nordic Trustee AS, with business registration number 963 342 624 and registered business address Kronprinsesse Märthas plass 1, N-0116 Vika, Norway
Bond Trustee Fee Agreement	Has the meaning ascribed to it in the Bond Terms, see Section 4.1 Appendix 2
Bondholders' Meeting	Has the meaning ascribed to it in the Bond Terms, see Section 4.1 Appendix 2
Bonds	Has the meaning ascribed to it in the Bond Terms, see Section 4.1 Appendix 2
BOP	Blowout preventers
BRL	Brazilian real, the lawful currency of Brazil
Business Day	Has the meaning ascribed to it in the Bond Terms, see Section 4.1 Appendix 2
Call Option	Has the meaning ascribed to it in the Bond Terms, see Section 4.1 Appendix 2
Call Option Repayment Date	Has the meaning ascribed to it in the Bond Terms, see Section 4.1 Appendix 2
CEO	Chief Executive Officer
CFO	Chief Financial Officer
Change of Control Event	Has the meaning ascribed to it in the Bond Terms, see Section 4.1 Appendix 2
Company Information	Any statements regarding the Group's competitive position based on the Issuer's own assessment and knowledge of the market in which it operates
Consolidated Total Assets	Has the meaning ascribed to it in the Bond Terms, see Section 4.1 Appendix 2
Compliance Certificate	Has the meaning ascribed to it in the Bond Terms, see Section 4.1 Appendix 2
CSD	The Norwegian central securities depository, Euronext Securities Oslo (NW.: <i>Verdipapirsentralen</i>)
CSDDD	Corporate Sustainability Due Diligence Directive (Directive 2024/1760)
CSRD	Corporate Sustainability Reporting Directive (Directive 2022/2464/EU)
Decisive Influence	Has the meaning ascribed to it in the Bond Terms, see Section 4.1 Appendix 2
Disposal	Has the meaning ascribed to it in the Bond Terms, see Section 4.1 Appendix 2
DOE	United States Department of Energy
DOI	United States Department of the Interior
Dutch Civil Code	The Dutch Civil Code (NL: <i>Burgerlijk Wetboek</i>)
EBITDA	Has the meaning ascribed to it in the Bond Terms, see Section 4.1 Appendix 2
ESG	Environmental, social and governance
ESMA	The 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, as amended
EU Taxonomy	EU Taxonomy Regulation (Regulation 2020/852)
EUR	Euro, the lawful currency of the European Union
Equity Clawback	Has the meaning ascribed to it in the Bond Terms, see Section 4.1 Appendix 2
Equity Offering	Has the meaning ascribed to it in the Bond Terms, see Section 4.1 Appendix 2
Exchange	Has the meaning ascribed to it in the Bond Terms, see Section 4.1 Appendix 2
Exchange Act	The U.S. the Securities Exchange Act of 1934, as amended
Existing Bank Debt	Has the meaning ascribed to it in the Bond Terms, see Section 4.1 Appendix 2
Existing Bond Issue	Has the meaning ascribed to it in the Bond Terms, see Section 4.1 Appendix 2
E&P	Exploration & production
Finance Documents	Has the meaning ascribed to it in the Bond Terms, see Section 4.1 Appendix 2
Financial Information	The Issuer Financial Information and the Guarantors' Financial Information
Financial Report	Has the meaning ascribed to it in the Bond Terms, see Section 4.1 Appendix 2
First Call Date	Has the meaning ascribed to it in the Bond Terms, see Section 4.1 Appendix 2
GBP	British Pound Sterling, the lawful currency of the United Kingdom
GHG	Greenhouse gas
GloBE	Global Anti-Base Erosion
Group	The Issuer and its consolidated subsidiaries
Group Company	Has the meaning ascribed to it in the Bond Terms, see Section 4.1 Appendix 2
Guarantee	Has the meaning ascribed to it in the Bond Terms, see Section 4.1 Appendix 2
Guarantee Agreement	The Guarantors entered into (or, in respect of subsequent Guarantors, acceded to) a Norwegian law guarantee agreement with the Bond Trustee dated 22 November 2023
Guarantors' Annual Financial Statements	The audited annual financial statements as of and for the financial years ended 31 December 2023 and 2022 for each Guarantor except for HMH Holding (Netherlands) B.V. and MHWirth LLC and the unaudited annual financial statements as of and for the financial years ended 31 December 2023 and 2022 for MHWirth LLC
Guarantors' Financial Information	The Guarantors' Annual Financial Statements and Guarantors' Interim Financial Statements
Guarantors' Interim Financial Statements	The unaudited interim financial statements for the nine-month period ended 30 September 2024 for each Guarantor
Guarantors	The Original Guarantors and each Material Subsidiary from time to time, which at the date of this Prospectus comprise: <ul style="list-style-type: none"> a) HMH Holding (Netherlands) B.V; b) MHWirth AS; c) Hydril USA Distribution LLC; d) Hydril PCB Limited; e) HMH Drilling Asia Pte. Ltd.; f) MHWirth LLC; g) MHWirth GmbH; h) MHWirth FZE; and i) MHWirth do Brasil Equipamentos Ltda.
HSSE	Health, safety, security and environment
IAS 34	International Accounting Standard 34 "Interim Financial Reporting" as adopted by the EU
IFRS	International Financial Reporting Standards as issued by the International Accounting Standards Board
IFRS EU	IFRS as adopted by the EU
Intercreditor Agreement	Has the meaning ascribed to it in the Bond Terms, see Section 4.1 Appendix 2
Interest Payment Date	Has the meaning ascribed to it in the Bond Terms, see Section 4.1 Appendix 2
Interest Period	Has the meaning ascribed to it in the Bond Terms, see Section 4.1 Appendix 2
Interest Rate	Has the meaning ascribed to it in the Bond Terms, see Section 4.1 Appendix 2

Initial Bond Issue	Has the meaning ascribed to it in the Bond Terms, see Section 4.1 Appendix 2
IPO	Has the meaning ascribed to it in the Bond Terms, see Section 4.1 Appendix 2
IRA 2022	The United States Inflation Reduction Act of 2022
Issue Date	Has the meaning ascribed to it in the Bond Terms, see Section 4.1 Appendix 2
Issuer or HMH	HMH Holding B.V., a private limited liability company existing under the laws of The Netherlands, having its official seat in Amsterdam, The Netherlands, with registration number 82719322 and LEI-code 8945008FRZIYPW0VW366
Issuer Annual Financial Statements	Audited consolidated financial statements for the Issuer as of and for the financial years ended 31 December 2024 and 31 December 2023. The Issuer Annual Financial Statements are presented in USD
Issuer Financial Information	The Issuer Annual Financial Statements and the Issuer Interim Financial Statements
Issuer Interim Financial Statements	Unaudited interim financial statements prepared in accordance with IAS 34 for the Issuer as of and for the three-month period ended 31 March 2025, with comparable figures for the Issuer's consolidated statement of income and consolidated statement of cash flows for the three-month period ended 31 March 2024. The Issuer Interim Financial Statements are presented in USD
LEI	Legal Entity Identifier
Listco	Has the meaning ascribed to it in the Bond Terms, see Section 4.1 Appendix 2
Listing	The listing of the Bonds on the Oslo Stock Exchange
LNG	Liquefied natural gas
Make Whole Amount	Has the meaning ascribed to it in the Bond Terms, see Section 4.1 Appendix 2
Management	The members of the Issuer's executive management
Material Asset Sale	Has the meaning ascribed to it in the Bond Terms, see Section 4.1 Appendix 2
Material Subsidiary	Has the meaning ascribed to it in the Bond Terms, see Section 4.1 Appendix 2
Maturity Date	Has the meaning ascribed to it in the Bond Terms, see Section 4.1 Appendix 2
Maximum Issue Amount	Has the meaning ascribed to it in the Bond Terms, see Section 4.1 Appendix 2
Net Proceeds	Has the meaning ascribed to it in the Bond Terms, see Section 4.1 Appendix 2
NFSA	The Norwegian Financial Supervisory Authority (NW.: <i>Finanstilsynet</i>)
NOK	Norwegian kroner, the lawful currency of Norway
Nominal Amount	Has the meaning ascribed to it in the Bond Terms, see Section 4.1 Appendix 2
NOV	NOV Inc.
NTA	The Norwegian Transparency Act
Obligor	Has the meaning ascribed to it in the Bond Terms, see Section 4.1 Appendix 2
OECD	Organization for Economic Co-operation and Development
OEM	Original equipment manufacturer
Oslo Stock Exchange	Euronext Oslo Børs, a Norwegian regulated market being part of Euronext and operated by Oslo Børs ASA
OPEC	Organization of the Petroleum Exporting Countries
Original Guarantors	Has the meaning ascribed to it in the Bond Terms, see Section 4.1 Appendix 2
Outstanding Bonds	Has the meaning ascribed to it in the Bond Terms, see Section 4.1 Appendix 2
Paris Agreement	The agreement resulting from the 2015 U.N. Climate Change Conference in Paris
Paying Agent	Nordic Trustee Services AS, with registered business address Kronprinsesse Märthas plass 1, N-0116 Vika, Norway.
Parent Entity	Has the meaning ascribed to it in the Bond Terms, see Section 4.1 Appendix 2
Pillar Two	Has the meaning ascribed to it in paragraph 2.3.2 (<i>Changes in tax laws, regulations and treaties could adversely affect the Group's business, financial condition and results of operations</i>).
Prospectus	This prospectus dated 10 June 2025
Put Option	Has the meaning ascribed to it in the Bond Terms, see Section 4.1 Appendix 2
Put Option Event	Has the meaning ascribed to it in the Bond Terms, see Section 4.1 Appendix 2
Put Option Repayment Date	Has the meaning ascribed to it in the Bond Terms, see Section 4.1 Appendix 2
Repayment Date	Has the meaning ascribed to it in the Bond Terms, see Section 4.1 Appendix 2
Revolving Credit Facility	Has the meaning ascribed to it in the Bond Terms, see Section 4.1 Appendix 2

R&D	Research and development
Sarbanes-Oxley Act	The United States Sarbanes-Oxley Act of 2002
SEC	The Securities and Exchange Commission
Secured Parties	Has the meaning ascribed to it in the Bond Terms, see Section 4.1 Appendix 2
Secured Obligations	Has the meaning given to it in the Bond Terms (see Section 4.1 Appendix 2) and the Intercreditor Agreement and includes all present and future liabilities and obligations at any time due, owing or incurred by any member of the Group and by each Obligor to any Secured Party under the Bond Terms, the Revolving Credit Facility, any super senior hedging and any finance documents related to any of them (including related security documents and the Intercreditor Agreement), both actual and contingent and whether incurred solely or jointly and as principal or surety or in any other capacity
Security Agent	Has the meaning ascribed to it in the Bond Terms, see Section 4.1 Appendix 2
Share De-Listing Event	Has the meaning ascribed to it in the Bond Terms, see Section 4.1 Appendix 2
Shareholders' Agreement	The shareholders' agreement entered into by the Issuer and its (indirect) shareholders (Baker Hughes Holdings LLC, Akastor ASA, Akastor AS and Mercury Holdco Inc.) on 1 October 2021, as amended and restated on 8 February 2024
Schlumberger	Schlumberger Limited's Cameron International
Subsidiary	Has the meaning ascribed to it in the Bond Terms, see Section 4.1 Appendix 2
Tap Issues	Has the meaning ascribed to it in the Bond Terms, see Section 4.1 Appendix 2
Tax Event Repayment Date	Has the meaning ascribed to it in the Bond Terms, see Section 4.1 Appendix 2
Temporary Bonds	Has the meaning ascribed to it in the Bond Terms, see Section 4.1 Appendix 2
Total Assets	Has the meaning ascribed to it in the Bond Terms, see Section 4.1 Appendix 2
Transaction Security	Has the meaning ascribed to it in the Bond Terms, see Section 4.1 Appendix 2
Transaction Security Document	Has the meaning ascribed to it in the Bond Terms, see Section 4.1 Appendix 2
U.K.	The United Kingdom
U.N.	The United Nations
U.S. Securities Act	The U.S. Securities Act of 1933, as amended
U.S., USA or the United States	The United States of America
USD	United States Dollars, the lawful currency of the United States of America
USPTO	The United States Patent and Trademark Office
Voting Bonds	Has the meaning ascribed to it in the Bond Terms, see Section 4.1 Appendix 2



HMH Holding B.V.
Weerdestein 97
1083GG Amsterdam
the Netherlands

Dutch legal advisor to the Issuer

De Brauw Blackstone Westbroek N.V.
Burgerweeshuispad 201
1076 GE Amsterdam
The Netherlands

Norwegian legal advisor to the Issuer

Wikborg Rein Advokatfirma AS
Dronning Mauds gate 11
N-0250 Oslo
Norway



Appendix 1 - Articles of Association of HMH
Holding B.V.

The undersigned:

Corstiaan Anne Voogt, civil law notary in Amsterdam, declares with respect to the articles of association (the "**Articles of Association**") of the private limited liability company **HMH Holding B.V.**, with corporate seat in Amsterdam, the Netherlands (the "**Company**") as follows:

- (i) the Articles of Association correspond with the document in the Dutch language which is attached to this declaration;
- (ii) the document in the English language attached to this declaration is an unofficial translation of the Articles of Association; if differences occur in the translation, the Dutch text will govern by law; and
- (iii) the Articles of Association were most recently amended by deed (the "**Deed**") executed on 22 October 2024 before C.A. Voogt, civil law notary in Amsterdam, the Netherlands.

When issuing the statements included above under (i) and (iii) I, C.A. Voogt, civil law notary, based any observations entirely on the information stated in the extract from the Trade Register of the registration of the Company and on an official copy of the Deed.

Signed in Amsterdam on 22 October 2024.



STATUTEN

van:

HMH Holding B.V.

statutair gevestigd in Amsterdam

d.d. 22 oktober 2024

1 DEFINITIES EN INTERPRETATIE

1.1 Definities

In deze statuten gelden de volgende definities:

"Aandeelhoudersovereenkomst" betekent de aandeelhoudersovereenkomst met betrekking tot de Vennootschap, initieel aangegaan door de aandeelhouders van de Vennootschap op een oktober tweeduizendeenentwintig en laatstelijk gewijzigd op acht februari tweeduizendvierentwintig, zoals van tijd tot tijd gewijzigd, en welke overeenkomst ten kantore van de Vennootschap is neergelegd (i) ter volledige inzage van de aandeelhouders en de bestuurders van de Vennootschap, en (ii) ter, naar beoordeling van het bestuur, volledige of gedeeltelijke inzage van derden, indien en voor zover dit naar goeddunken van het bestuur redelijkerwijs in het belang is om inzicht te hebben in de organisatie van de Vennootschap. Derden die geen partij zijn bij de Aandeelhoudersovereenkomst kunnen geen rechten ontlenen aan en hebben geen verplichtingen op grond van een dergelijke overeenkomst of bepalingen in deze statuten die voortvloeien uit de Aandeelhoudersovereenkomst;

"Aandelen A" betekent gewone aandelen A in het kapitaal van de Vennootschap, bestaande uit de Bear Aandelen A en de Titan Aandelen A;

"Aandelen A Vergadering" betekent de vergadering van houders van Aandelen A;

"Aandelen B" betekent gewone aandelen B in het kapitaal van de Vennootschap, bestaande uit de Bear Aandelen B en de Titan Aandelen B;

"Aandelen B Vergadering" betekent de vergadering van houders van Aandelen B;

"Algemene Vergadering" betekent het orgaan dat bestaat uit de Stemgerechtigden, of de bijeenkomst waarin de Vergadergerechtigden vergaderen;

"Auditbesluit" betekent het Besluit instelling auditcommissie zoals dat van tijd tot tijd luidt;

"Auditcommissie" betekent het orgaan als bedoeld in de eerste zin van artikel 8.5.1;

"Bear Aandelen" betekent de Bear Aandelen A en de Bear Aandelen B gezamenlijk;

"Bear Aandelen A" betekent de Aandelen A met de aanduiding Bear Aandelen A;

"Bear Aandelen A Resultaten" betekent de resultaten van de Vennootschap die zijn toe te rekenen aan de door de Vennootschap gehouden HMH Netherlands Bear Aandelen A, of enige aandelen die deze aandelen geheel of gedeeltelijk hebben vervangen;

"Bear Aandelen A Vergadering" betekent de vergadering van houders van Bear Aandelen A;

"Bear Aandelen A Winstreserve" betekent de winstreserve als bedoeld in artikel 11.2.4(a);

"Bear Aandelen B" betekent de Aandelen B met de aanduiding Bear Aandelen B;

"Bear Aandelen B Resultaten" betekent de resultaten van de Vennootschap die zijn toe

te rekenen aan de door de Vennootschap gehouden HMH Netherlands Bear Aandelen B, of enige aandelen die deze aandelen geheel of gedeeltelijk hebben vervangen;

"Bear Aandelen B Vergadering" betekent de vergadering van houders van Bear Aandelen B;

"Bear Aandelen B Winstreserve" betekent de winstreserve als bedoeld in artikel 11.2.4(b);

"Bear Aandelen Vergadering" betekent de vergadering van houders van Bear Aandelen, zijnde de Bear Aandelen A Vergadering en de Bear Aandelen B Vergadering gezamenlijk;

"Bear Bestuurder" betekent een bestuurder die als Bear Bestuurder is aangewezen in overeenstemming met artikel 8.1.2;

"BW" betekent het Burgerlijk Wetboek;

"Dochtermaatschappij" betekent een dochtermaatschappij als bedoeld in artikel 2:24a BW;

"HMH Netherlands" betekent HMH Holding (Netherlands) B.V., een besloten vennootschap met beperkte aansprakelijkheid, statutair gevestigd in Amsterdam, en haar rechtsopvolgers onder algemene titel;

"HMH Netherlands Bear Aandelen A" betekent de aandelen A met aanduiding Bear Aandelen A in het kapitaal van HMH Netherlands;

"HMH Netherlands Bear Aandelen B" betekent de aandelen B met aanduiding Bear Aandelen B in het kapitaal van HMH Netherlands;

"HMH Netherlands Titan Aandelen A" betekent de aandelen A met aanduiding Titan Aandelen A in het kapitaal van HMH Netherlands;

"HMH Netherlands Titan Aandelen B" betekent de aandelen B met aanduiding Titan Aandelen B in het kapitaal van HMH Netherlands;

"Kwaliteitseis" betekent de kwaliteitseis als bedoeld in artikel 3.2.1, eerste zin;

"Onafhankelijke Bestuurder" betekent een bestuurder die als Onafhankelijke Bestuurder is aangewezen in overeenstemming met artikel 8.1.2;

"Overdrager" een aandeelhouder die zijn aandelen wil overdragen of moet aanbieden;

"Resultaten" betekent de Bear Aandelen A Resultaten, de Bear Aandelen B Resultaten, de Titan Aandelen A Resultaten en de Titan Aandelen B Resultaten;

"Stemgerechtigden" betekent aandeelhouders met stemrecht in de Algemene Vergadering, pandhouders met stemrecht in de Algemene Vergadering en vruchtgebruikers met stemrecht in de Algemene Vergadering, of als de vergadering van houders van aandelen van een bepaalde soort of aanduiding besluiten neemt, met stemrecht in die vergadering;

"Titan Aandelen" betekent de Titan Aandelen A en de Titan Aandelen B gezamenlijk;

"Titan Aandelen A" betekent de Aandelen A met de aanduiding Titan Aandelen A;

"Titan Aandelen A Resultaten" betekent de resultaten van de Vennootschap die zijn toe te rekenen aan de door de Vennootschap gehouden HMH Netherlands Titan Aandelen A, of enige aandelen die deze aandelen geheel of gedeeltelijk hebben vervangen;

"Titan Aandelen A Vergadering" betekent de vergadering van houders van Titan Aandelen A;

"Titan Aandelen A Winstreserve" betekent de winstreserve als bedoeld in artikel

11.2.4(c);

"Titan Aandelen B" betekent de Aandelen B met de aanduiding Titan Aandelen B;

"Titan Aandelen B Resultaten" betekent de resultaten van de Vennootschap die zijn toe te rekenen aan de door de Vennootschap gehouden HMH Nederlands Titan Aandelen B, of enige aandelen die deze aandelen geheel of gedeeltelijk hebben vervangen;

"Titan Aandelen B Vergadering" betekent de vergadering van houders van Titan Aandelen B;

"Titan Aandelen B Winstreserve" betekent de winstreserve als bedoeld in artikel 11.2.4(d);

"Titan Aandelen Vergadering" betekent de vergadering van houders van Titan Aandelen, zijnde de Titan Aandelen A Vergadering en de Titan Aandelen B Vergadering gezamenlijk;

"Titan Bestuurder" betekent een bestuurder die als Titan Bestuurder is aangewezen in overeenstemming met artikel 8.1.2;

"Vennootschap" betekent de besloten vennootschap met beperkte aansprakelijkheid waarvan de organisatie is vastgelegd in deze statuten;

"Vergadergerechtigden" betekent aandeelhouders, pandhouders met Vergaderrecht en vruchtgebruikers met Vergaderrecht;

"Vergaderrecht" betekent het recht om, in persoon of bij schriftelijk gevolmachtigde, de Algemene Vergadering of, in het geval van een vergadering van houders van aandelen van een bepaalde soort of aanduiding, de vergadering van houders van aandelen van die soort of aanduiding bij te wonen en daar het woord te voeren;

"Vice-Voorzitter" betekent de bestuurder die door het bestuur, in overeenstemming met artikel 8.3.2, is aangewezen als Vice-Voorzitter; en

"Voorzitter" betekent de bestuurder die door het bestuur, in overeenstemming met artikel 8.3.2, is aangewezen als Voorzitter.

1.2 Interpretatie

- 1.2.1 Het bestuur, de Auditcommissie, de Algemene Vergadering, de Aandelen A Vergadering, de Aandelen B Vergadering, de Bear Aandelen Vergadering, de Titan Aandelen Vergadering, de Bear Aandelen A Vergadering, de Titan Aandelen A Vergadering, de Bear Aandelen B Vergadering en de Titan Aandelen B Vergadering vormen elk een onderscheiden orgaan van de Vennootschap.
- 1.2.2 De Aandelen A en de Aandelen B vormen elk een aparte soort aandelen in het kapitaal van de Vennootschap. De Bear Aandelen A, de Titan Aandelen A, de Bear Aandelen B en de Titan Aandelen B zijn elk aandelen van een bepaalde aanduiding.
- 1.2.3 Waar in deze statuten wordt gerefereerd aan de vergadering van houders van aandelen van een bepaalde soort of aanduiding, wordt daaronder verstaan het orgaan van de Vennootschap bestaande uit de persoon of personen aan wie, als houder van aandelen van de betreffende soort of aanduiding of anderszins, de stemrechten verbonden aan de aandelen van de betreffende soort of aanduiding toekomen, of (al naar gelang het geval) een vergadering van deze personen (of hun vertegenwoordigers).
- 1.2.4 Verwijzingen naar "artikelen" zijn verwijzingen naar artikelen van deze statuten, tenzij uitdrukkelijk anders aangegeven.
- 1.2.5 Verwijzingen naar één geslacht omvatten alle geslachten en verwijzingen naar het

enkelvoud omvatten ook het meervoud, en vice versa.

2 NAAM, ZETEL EN DOEL

2.1 Naam en zetel

2.1.1 De naam van de Vennootschap is: **HMH Holding B.V.**

2.1.2 De Vennootschap heeft haar zetel in Amsterdam.

2.2 Doel

De Vennootschap heeft tot doel:

- (a) het oprichten, op enigerlei wijze deelnemen of een belang nemen in, beheren van en toezicht houden op ondernemingen en vennootschappen, van welke aard dan ook;
- (b) het geven van advies en aanbieden van diensten aan ondernemingen en vennootschappen waarmee de Vennootschap is verbonden;
- (c) het financieren van ondernemingen en vennootschappen waarmee de Vennootschap is verbonden;
- (d) het aangaan van leningen en werven van fondsen, waaronder de uitgifte van obligaties, schuldbekentenissen of andere effecten, en het aangaan van daarmee verband houdende overeenkomsten; en
- (e) het verstrekken van waarborgen, de Vennootschap te verbinden en de activa van de Vennootschap te bezwaren ten gunste van ondernemingen, vennootschappen en andere rechtspersonen waarmee de Vennootschap is verbonden en ten gunste van derden,

alsmede al hetgeen met het vorenstaande verband houdt of daartoe bevorderlijk kan zijn, alles in de ruimste zin van het woord.

3 KAPITAAL, KWALITEITSEIS EN UITGIFTE VAN AANDELEN

3.1 Kapitaal en aandelen

3.1.1 Het kapitaal van de Vennootschap bestaat uit:

- (a) één of meer Aandelen A met een nominale waarde van een euro (EUR 1,--) elk, welke aandelen de volgende aanduiding en nummering hebben:
 - (i) Bear Aandelen A, die genummerd zijn vanaf Bear A1; of
 - (ii) Titan Aandelen A, die genummerd zijn vanaf Titan A1; en
- (b) één of meer Aandelen B met een nominale waarde van een euro (EUR 1,--) elk, welke aandelen de volgende aanduiding en nummering hebben:
 - (i) Bear Aandelen B, die genummerd zijn vanaf Bear B1; of
 - (ii) Titan Aandelen B, die genummerd zijn vanaf Titan B1.

3.1.2 De aandelen luiden op naam. Aandeelbewijzen worden niet uitgegeven.

3.2 Kwaliteitseis

3.2.1 Tenzij de Vennootschap een enig aandeelhouder heeft, kunnen naast de Vennootschap en haar Dochtermaatschappijen uitsluitend personen aandeelhouder zijn die partij zijn bij of zijn toegetreden tot de Aandeelhoudersovereenkomst. In afwijking van de vorige zin kunnen ook diegenen die bij besluit van de Algemene Vergadering zijn vrijgesteld van voldoening aan de Kwaliteitseis aandeelhouder zijn.

3.2.2 Indien en voor zo lang een aandeelhouder niet aan de Kwaliteitseis voldoet en niet van voldoening is vrijgesteld door de Algemene Vergadering, worden de aan de aandelen van de aandeelhouder verbonden Vergaderrechten en stemrechten en de rechten op

- dividend, betaling, terugbetaling of andere uitkeringen van de Vennootschap op die aandelen opgeschort.
- 3.2.3 De opschorting van Vergaderrechten en stemrechten als bedoeld in artikel 3.2.2 eindigt indien als gevolg van die opschorting op geen enkel aandeel meer stemrecht kan worden uitgeoefend. Voorts eindigt de in artikel 3.2.2 bedoelde opschorting van alle rechten met betrekking tot een verpand aandeel indien en zolang het aan dat verpande aandeel verbonden stemrecht door de pandhouder kan worden uitgeoefend ingevolge een overdracht van het stemrecht overeenkomstig artikel 6.2.2.
- 3.2.4 Indien en voor zo lang als een aandeelhouder niet voldoet aan de Kwaliteitseis en niet van voldoening is vrijgesteld door de Algemene Vergadering, moet de betreffende aandeelhouder de Vennootschap verzoeken een (1) of meer gegadigde(n) voor al zijn aandelen aan te wijzen. De Vennootschap is verplicht om, binnen drie (3) maanden na ontvangst van het verzoek als bedoeld in de vorige zin, een (1) of meer personen aan te wijzen die wel voldoen aan, of vrijgesteld zijn van voldoening aan, de Kwaliteitseis en die bereid en in staat zijn alle aandelen van de verzoekende aandeelhouder te kopen. De aandeelhouder en de aangewezen gegadigde(n) stellen de prijs van de aandelen vast. Als geen overeenstemming wordt bereikt over de prijs, wordt deze vastgesteld door een onafhankelijke deskundige, die door de aangewezen gegadigde(n) en de aandeelhouder gezamenlijk wordt benoemd. Indien de aangewezen gegadigde(n) en de aandeelhouder geen overeenstemming bereiken over deze aanwijzing binnen twintig (20) dagen na het begin van het onderling overleg, heeft ieder van de aangewezen gegadigde(n) en de aandeelhouder het recht om de voorzitter van de Koninklijke Notariële Beroepsorganisatie te verzoeken een onafhankelijke deskundige aan te wijzen.
- 3.2.5 Als een aanwijzing als bedoeld in de tweede zin van artikel 3.2.4 niet of niet tijdig plaatsvindt, of als door omstandigheden buiten zijn macht niet alle aandelen van de verzoeker worden gekocht:
- (a) wordt de betreffende aandeelhouder onherroepelijk vrijgesteld van de Kwaliteitseis en eindigt de opschorting van de aandeelhoudersrechten als bedoeld in artikel 3.2.2; en
 - (b) moet de betreffende aandeelhouder al zijn (resterende) aandelen in overeenstemming met artikel 7.3 aanbieden aan een (1) of meer personen die wel voldoen aan, of vrijgesteld zijn van voldoening aan, de Kwaliteitseis.
- 3.2.6 Als een aandeelhouder niet binnen drie (3) maanden nadat hij, zonder daarvan te zijn vrijgesteld, is opgehouden te voldoen aan de Kwaliteitseis een verzoek als bedoeld in de eerste zin van artikel 3.2.4 heeft ingediend, of als een aandeelhouder die zijn aandelen overeenkomstig artikel 3.2.5(b) moet aanbieden niet binnen een (1) maand na het moment dat de vrijstelling als bedoeld in artikel 3.2.5(a) van kracht is geworden het aanbod heeft gedaan als bedoeld in artikel 7.3, is de Vennootschap onherroepelijk gemachtigd om, binnen een (1) maand, een (1) of meer gegadigde(n) aan te wijzen voor alle aandelen van de betreffende aandeelhouder en deze aandelen te leveren.
- 3.3 Uitgifte van aandelen**
- 3.3.1 Het bestuur besluit tot uitgifte van aandelen en stelt de uitgifteprijs en de overige voorwaarden van uitgifte vast.
- 3.3.2 Artikel 3.3.1 is van overeenkomstige toepassing als rechten tot het nemen van aandelen

worden verleend, maar niet indien aandelen worden uitgegeven aan een person die een recht tot het nemen van aandelen uitoefent.

3.3.3 Aandelen worden niet uitgegeven tegen een uitgifteprijs die lager is dan de nominale waarde van de aandelen.

3.3.4 Aandelen worden uitgegeven bij notariële akte.

3.4 Voorkeursrecht

Behoudens de bepalingen van de Aandeelhoudersovereenkomst, die in acht moeten worden genomen, heeft een aandeelhouder geen voorkeursrecht als aandelen worden uitgegeven of rechten tot het nemen van aandelen worden verleend.

4 EIGEN AANDELEN EN KAPITAALVERMINDERING

4.1 Verkrijging en vervreemding van eigen aandelen

4.1.1 Het bestuur beslist over de verkrijging door de Vennootschap van (certificaten van) volgestorte aandelen. Verkrijging door de Vennootschap van niet volgestorte (certificaten van) aandelen is nietig.

4.1.2 Als de Vennootschap eigen aandelen vervreemdt, is artikel 3.3.1 van overeenkomstige toepassing, behalve dat vervreemding ook mogelijk is voor een lager bedrag dan de nominale waarde van de aandelen. De overdrachtsbeperkingen als bedoeld in artikel 7.1.1 (*Overdrachtsbeperkingen*) zijn niet van toepassing.

4.2 Kapitaalvermindering

4.2.1 De Algemene Vergadering kan besluiten het geplaatste kapitaal te verminderen.

4.2.2 Het geplaatste kapitaal kan worden verminderd door het nominale bedrag van aandelen bij statutenwijziging te verminderen of door aandelen in te trekken.

5 AANDEELHOUDERSREGISTER, OPROEPINGEN EN MEDEDELINGEN

5.1 Aandeelhoudersregister

5.1.1 Het bestuur houdt een aandeelhoudersregister als bedoeld in artikel 2:194 BW.

5.1.2 Het bestuur legt het aandeelhoudersregister ter inzage van de Vergadergerechtigden op het kantoor van de Vennootschap.

5.2 Oproepingen en mededelingen

5.2.1 Oproepingen en mededelingen aan Vergadergerechtigden worden schriftelijk gedaan en gestuurd naar de adressen die zijn vermeld in het aandeelhoudersregister. Als een Vergadergerechtigde hiermee instemt, kunnen oproepingen en mededelingen aan hem worden gestuurd per e-mail.

5.2.2 Mededelingen aan het bestuur worden schriftelijk gedaan en gestuurd naar het adres van de Vennootschap, of per e-mail aan het adres dat voor dit doel bekend is gemaakt.

6 CERTIFICERING EN BEPERKTE RECHTEN OP AANDELEN

6.1 Certificering

Aan certificaten van aandelen kan geen Vergaderrecht worden verbonden.

6.2 Pandrecht

6.2.1 Aandelen kunnen worden verpand.

6.2.2 De pandhouder heeft het stemrecht op een verpand aandeel als dat schriftelijk is overeengekomen bij de vestiging van het pandrecht of daarna en de pandhouder een persoon is aan wie de aandelen vrijelijk kunnen worden overgedragen, of als de Algemene Vergadering de toekenning van stemrecht en - wanneer een ander in de rechten van de pandhouder treedt - de overgang van het stemrecht heeft goedgekeurd.

- 6.2.3 Alleen pandhouders die stemrecht hebben, hebben Vergaderrecht. Aandeelhouders die als gevolg van een pandrecht geen stemrecht hebben, hebben Vergaderrecht.

7 LEVERING VAN AANDELEN EN OVERDRACHTSBEPERKINGEN

7.1 Levering van aandelen

- 7.1.1 De levering van aandelen of van een recht van vruchtgebruik op aandelen, de vestiging of afstand van een recht van vruchtgebruik op aandelen en de vestiging van een pandrecht op aandelen, vindt plaats bij notariële akte. Levering van certificaten van aandelen en afstand van een pandrecht op aandelen vinden plaats bij onderhandse akte. De pandhouder en pandgever zijn verplicht de Vennootschap in kennis te stellen van de afstand van het pandrecht.
- 7.1.2 De bepalingen van artikelen 7.2 tot en met 7.7 zijn van toepassing op een overdracht van aandelen. In afwijking van de vorige zin zijn de bepalingen van artikelen 7.2 tot en met 7.7 en artikel 2:195 BW niet van toepassing op een overdracht van aandelen in het kader van uitwinning van een pandrecht op die aandelen overeenkomstig artikel 3:248 BW.

7.2 Overdracht van aandelen in overeenstemming met de Aandeelhoudersovereenkomst

De overdracht van een (1) of meer aandelen door een aandeelhouder die partij is bij de Aandeelhoudersovereenkomst kan uitsluitend plaatsvinden overeenkomstig de Aandeelhoudersovereenkomst. Op een dergelijke overdracht zijn de overdrachtsbeperkingen als bedoeld in artikelen 7.3 tot en met 7.7 en artikel 2:195 BW niet van toepassing.

7.3 Overdracht van aandelen anders dan in overeenstemming met de Aandeelhoudersovereenkomst

- 7.3.1 Een aandeelhouder die zijn aandelen wenst over te dragen maar die niet of niet langer partij is bij de Aandeelhoudersovereenkomst, moet zijn aandelen eerst aanbieden aan de andere aandeelhouders; de Vennootschap wordt alleen als aandeelhouder aangemerkt als de Overdrager daarmee instemt. De beperkingen en regels bedoeld in artikel 7.4 tot en met artikel 7.7 zijn van toepassing.
- 7.3.2 Artikel 7.3.1 is niet van toepassing op een overdracht van aandelen aan een gegadigde in overeenstemming met artikel 3.2.4 of 3.2.6.

7.4 Aanbieding aan andere aandeelhouders: procedure

- 7.4.1 Een Overdrager deelt het bestuur mee dat hij aandelen wil overdragen. Bij deze mededeling moet de Overdrager aangeven:
- (a) het aantal aandelen dat hij wil overdragen;
 - (b) eventuele soort en aanduiding van die aandelen; en
 - (c) de personen aan wie hij die aandelen wil overdragen.
- 7.4.2 Het bestuur zorgt ervoor dat de andere aandeelhouders binnen zeven dagen na ontvangst van de mededeling genoemd in artikel 7.4.1 op de hoogte worden gebracht van het aanbod van de Overdrager.
- 7.4.3 De Overdrager en de andere aandeelhouders hebben vervolgens de mogelijkheid in overleg te treden over het kopen van de aandelen en de prijs. Als zij overeenstemming bereiken, komt er een koopovereenkomst tot stand. Als zij niet binnen twintig (20) dagen overeenstemming bereiken, zijn de artikelen 7.5 tot en met 7.7 van toepassing.

7.5 Aanbieding aan andere aandeelhouders: prijsbepaling

- 7.5.1 De Overdrager en het bestuur treden in overleg om een onafhankelijke deskundige aan te wijzen. Mochten zij hierover geen overeenstemming bereiken, dan wordt de onafhankelijke deskundige aangewezen door de voorzitter van de Koninklijke Notariële Beroepsorganisatie. De onafhankelijke deskundige stelt de prijs van de aandelen vast.
- 7.5.2 Binnen tien (10) dagen nadat de onafhankelijke deskundige de prijs aan de Overdrager en het bestuur bekend heeft gemaakt, doet het bestuur een mededeling aan de andere aandeelhouders. Bij deze mededeling moet het bestuur aangeven:
- (a) de naam van de Overdrager;
 - (b) de personen aan wie de Overdrager wil overdragen;
 - (c) het aantal aandelen dat de Overdrager wil overdragen;
 - (d) eventuele soort en aanduiding van die aandelen; en
 - (e) de door de onafhankelijke deskundige vastgestelde prijs.
- 7.5.3 Aandeelhouders die aandelen willen kopen, moeten binnen dertig (30) dagen na de mededeling in artikel 7.5.2 kenbaar maken aan het bestuur dat zij aandelen willen kopen, en hoeveel aandelen.
- 7.5.4 Tien (10) dagen nadat de termijn genoemd in artikel 7.5.3 is verlopen, meldt het bestuur aan de Overdrager of er gegadigden onder de overige aandeelhouders zijn en hoeveel aandelen deze gegadigden willen kopen.
- 7.5.5 Na de mededeling van het bestuur in artikel 7.5.4 heeft de Overdrager dertig (30) dagen de tijd om te beslissen of hij zijn aandelen verkoopt aan de gegadigden.
- 7.5.6 De kosten van de prijsvaststelling zijn voor rekening van de Overdrager.
- 7.5.7 Als de Overdrager zijn aanbod niet heeft ingetrokken, komt een koopovereenkomst tot stand als er voor alle aangeboden aandelen gegadigden zijn.
- 7.5.8 Als de andere aandeelhouders niet bereid zijn om alle aangeboden aandelen kopen, mag de Overdrager alle aandelen binnen negentig (90) dagen overdragen aan de personen die zijn genoemd in de in artikel 7.5.1 vermelde mededeling, tegen ten minste dezelfde prijs en voorwaarden als waartegen de andere aandeelhouders de aandelen kunnen kopen.
- 7.5.9 De Overdrager moet binnen twintig (20) dagen na het verstrijken van de termijn in artikel 7.5.5 de aandelen leveren. De gegadigden moeten tegelijkertijd de prijs van de aandelen tegen contante betaling voldoen aan de Overdrager.
- 7.6 Aanbieding aan andere aandeelhouders: verzuim gegadigde**
- 7.6.1 Als een gegadigde in verzuim is met de betaling, kan de Overdrager de koopovereenkomst ontbinden door dit binnen vijftien (15) dagen nadat het verzuim is ingetreden mee te delen aan het bestuur. Het bestuur deelt dit onmiddellijk mee aan de gegadigde.
- 7.6.2 Als er geen andere gegadigden zijn, mag de Overdrager al zijn aangeboden aandelen (en niet een gedeelte daarvan) overdragen aan de personen die zijn genoemd in de in artikel 7.4.1 vermelde mededeling, binnen negentig (90) dagen na de mededeling in artikel 7.6.1.
- 7.6.3 Als er andere gegadigden zijn die wel hebben betaald, dan gelden de niet betaalde aandelen als aangeboden aan deze gegadigden. Het bestuur doet daarvan zo spoedig mogelijk mededeling aan de gegadigden.
- 7.6.4 Als binnen twintig (20) dagen na de mededeling in artikel 7.6.3 niet alle niet betaalde

aandelen zijn gekocht door de overige gegadigden, mag de Overdrager deze niet betaalde aandelen overdragen aan de personen die zijn genoemd in de in artikel 7.4.1 vermelde mededeling binnen negentig (90) dagen na afloop van de hiervoor genoemde twintig (20) dagen.

7.7 Aanbieding aan andere aandeelhouders: verzuim Overdrager

- 7.7.1 Als de Overdrager in verzuim is met de levering van de aandelen, is de Vennootschap onherroepelijk gemachtigd om de aandelen te leveren.
- 7.7.2 De vennootschap moet overgaan tot levering op basis van artikel 7.7.1 binnen tien (10) dagen nadat de rechthebbende op de aandelen dit aan de Vennootschap heeft verzocht.

8 BESTUUR

8.1 Benoeming, schorsing, ontslag, belet en ontstentenis

- 8.1.1 De Vennootschap wordt bestuurd door het bestuur. Als de Vennootschap een (1) aandeelhouder heeft, wordt het aantal bestuurders bepaald door de Algemene Vergadering. Als de Vennootschap meer dan een (1) aandeelhouder heeft, wordt het aantal bestuurders bepaald door het bestuur. In laatstgenoemd geval mag het bestuur bestaan uit een (1) of meer Bear Bestuurders, een (1) of meer Titan Bestuurders en een (1) of meer Onafhankelijke Bestuurders.
- 8.1.2 De Algemene Vergadering benoemt de bestuurders en mag bestuurders aanwijzen als Bear Bestuurder, respectievelijk, Titan Bestuurder of Onafhankelijke Bestuurder. De Algemene Vergadering kan bestuurders schorsen en ontslaan.
- 8.1.3 Als één of meer bestuurders ontbreken of verhinderd zijn, wordt de Vennootschap bestuurd door de overblijvende bestuurder(s). Als alle bestuurders ontbreken of verhinderd zijn, wordt de Vennootschap tijdelijk bestuurd door een persoon die daartoe door de Algemene Vergadering is aangewezen. Als alle bestuurders ontbreken, neemt deze persoon zo spoedig mogelijk de nodige maatregelen om een definitieve voorziening te treffen. Onder verhinderd wordt hier verstaan de situatie dat de bestuurder tijdelijk zijn functie niet kan uitoefenen als gevolg van:
 - (a) schorsing;
 - (b) ziekte; of
 - (c) onbereikbaarheid.

8.2 Bezoldiging

De Algemene Vergadering stelt de beloning en andere voorwaarden vast die op de bestuurders van toepassing zijn. Redelijke onkosten die door de bestuurders worden gemaakt in verband met de uitoefening van hun functie als bestuurder van de Vennootschap, worden door de Vennootschap vergoed.

8.3 Interne organisatie en besluitvorming

- 8.3.1 Het bestuur kan zijn interne aangelegenheden regelen in een schriftelijk reglement. Verder kunnen de bestuurders, al dan niet bij reglement, onder goedkeuring van de Algemene Vergadering hun werkzaamheden onderling verdelen. Daarnaast kan het bestuur titels toekennen aan individuele bestuurders.
- 8.3.2 Het bestuur vergadert wanneer een bestuurder dat nodig vindt. Het bestuur (i) wijst een Onafhankelijke Bestuurder, of als er geen Onafhankelijke Bestuurder in functie is, een van de bestuurders aan als Voorzitter, en (ii) kan een van de bestuurders aanwijzen als Vice-Voorzitter. De Voorzitter zit de bestuursvergaderingen voor. Als de Voorzitter

- afwezig is, zit de Vice-Voorzitter de bestuurdersvergadering voor. Als zowel de Voorzitter als de Vice-Voorzitter afwezig is of niet in functie is, zit een van de andere bestuurders, daartoe aangewezen door de bij de betreffende vergadering aanwezige bestuurders, de vergadering voor.
- 8.3.3 Elke bestuurder kan zich in een vergadering laten vertegenwoordigen door een andere stemgerechtigde bestuurder die daartoe schriftelijk gevolmachtigd is.
- 8.3.4 Elke bestuurder heeft recht op het uitbrengen van een (1) stem, tenzij de volgende twee zinnen, of een daarvan, van toepassing zijn. Indien twee (2) Bear Bestuurders in functie zijn, maar slechts een (1) van hen aanwezig of vertegenwoordigd is in een vergadering, dan heeft de Bear Bestuurder die aanwezig of vertegenwoordigd is het recht om twee (2) stemmen uit te brengen, mits ook ten minste twee (2) stemmen kunnen worden uitgebracht door of namens andere bestuurders. Indien twee (2) Titan Bestuurders in functie zijn, maar slechts een (1) van hen aanwezig of vertegenwoordigd is in een vergadering, dan heeft de Titan Bestuurder die aanwezig of vertegenwoordigd is het recht om twee (2) stemmen uit te brengen, mits ook ten minste twee (2) stemmen kunnen worden uitgebracht door of namens andere bestuurders.
- 8.3.5 In een bestuursvergadering kunnen slechts geldige besluiten worden genomen indien ten minste de meerderheid van de in functie zijnde stemgerechtigde bestuurders aanwezig of vertegenwoordigd is, met dien verstande dat deze meerderheid moet bestaan uit ten minste een (1) Bear Bestuurder, voor zover er Bear Bestuurders in functie zijn, en ten minste een (1) Titan Bestuurder, voor zover er Titan Bestuurders in functie zijn.
- 8.3.6 Het bestuur besluit bij volstreekte meerderheid van de uitgebrachte stemmen. Bij staking van stemmen besluit de Voorzitter, mits de Voorzitter een Onafhankelijke Bestuurder is; als de Voorzitter afwezig is of geen Onafhankelijke Bestuurder is, wordt het besluit verworpen.
- 8.3.7 Een bestuurder neemt niet deel aan de beraadslaging en besluitvorming van het bestuur als hij daarbij een direct of indirect persoonlijk belang heeft dat tegenstrijdig is met het belang van de Vennootschap en de met haar verbonden onderneming. In dat geval kwalificeert hij niet als een stemgerechtigd bestuurder ten aanzien van het betreffende onderwerp. Als hierdoor geen bestuursbesluit kan worden genomen, neemt de Algemene Vergadering het besluit.
- 8.3.8 Het bestuur kan ook buiten vergadering besluiten nemen, mits dit schriftelijk of op reproduceerbare wijze langs elektronische weg gebeurt en alle stemgerechtigde bestuurders met deze wijze van besluitvorming hebben ingestemd. De artikelen 8.3.6 en 8.3.7 zijn van overeenkomstige toepassing op de besluitvorming van het bestuur buiten vergadering.
- 8.3.9 Besluiten van het bestuur tot het, namens de Vennootschap, uitoefenen van het stemrecht in een vergadering van houders van aandelen van een bepaalde soort en met een bepaalde aanduiding in het kapitaal van HMH Netherlands, vereisen de voorafgaande goedkeuring van de vergadering van houders van aandelen van de corresponderende soort en aanduiding in het kapitaal van de Vennootschap.
- 8.3.10 Naast de besluiten van het bestuur als bedoeld in artikel 8.3.9, kan de Algemene Vergadering andere duidelijk omschreven en aan het bestuur meegedeelde bestuursbesluiten aan haar goedkeuring of aan de goedkeuring van de Bear Aandelen

Vergadering en/of de Titan Aandelen Vergadering onderwerpen. Het ontbreken van de goedkeuring van de Algemene Vergadering, de Bear Aandelen Vergadering en/of de Titan Aandelen Vergadering van een besluit van het bestuur tast de bevoegdheid van het bestuur om de Vennootschap te vertegenwoordigen niet aan.

- 8.3.11 Het bestuur kan zonder opdracht van de Algemene Vergadering geen aangifte doen tot faillietverklaring van de Vennootschap.
- 8.3.12 Het bestuur volgt de aanwijzingen van de Algemene Vergadering op, tenzij deze in strijd zijn met het belang van de Vennootschap en de met haar verbonden onderneming.

8.4 Vertegenwoordiging

- 8.4.1 De Vennootschap wordt (tegenover derden) vertegenwoordigd door het bestuur. De bevoegdheid om de Vennootschap te vertegenwoordigen berust daarnaast bij:
 - (a) twee (2) Onafhankelijke Bestuurders gezamenlijk handelend;
 - (b) een Onafhankelijke Bestuurder handelend gezamenlijk met een Bear Bestuurder of een Titan Bestuurder; of
 - (c) een Bear Bestuurder handelend gezamenlijk met een Titan Bestuurder.
- 8.4.2 Het bestuur kan aan één of meer personen, al dan niet in dienst van de Vennootschap, procuratie of op een andere wijze doorlopende vertegenwoordigingsbevoegdheid toekennen. Het bestuur kan titels toekennen aan de personen bedoeld in de vorige zin.

8.5 Auditcommissie

- 8.5.1 De Vennootschap heeft een orgaan als bedoeld in artikel 2 lid 4 van het Auditbesluit. De Auditcommissie heeft alle taken en verantwoordelijkheden als bedoeld in het Auditbesluit, en alle andere taken die op grond van het toepasselijk recht aan auditcommissies zijn toegekend.
- 8.5.2 De Algemene Vergadering bepaalt het aantal leden van de Auditcommissie, met in achtneming van het Auditbesluit. De leden van de Auditcommissie worden benoemd, geschorst en ontslagen door de Algemene Vergadering. De Algemene Vergadering kan besluiten beloning toe te kennen aan leden van de Auditcommissie.
- 8.5.3 De Auditcommissie kan, met inachtneming van het Auditbesluit, haar interne aangelegenheden regelen in een schriftelijk reglement.

9 ALGEMENE VERGADERING, VERGADERING VAN HOUDERS VAN EEN BEPAALDE SOORT AANDELEN

9.1 Jaarlijkse Algemene Vergadering

- 9.1.1 Tijdens het boekjaar van de Vennootschap wordt ten minste één Algemene Vergadering gehouden, tenzij over de onderwerpen als bedoeld in artikel 9.1.2 in overeenstemming met artikel 9.5 (*Besluiten buiten vergadering*) buiten vergadering is besloten.
- 9.1.2 De agenda voor de jaarlijkse Algemene Vergadering bevat de volgende onderwerpen:
 - (a) de behandeling van het bestuursverslag als artikel 2:391 BW voor de Vennootschap geldt;
 - (b) de vaststelling van de jaarrekening;
 - (c) de bestemming van de winst; en
 - (d) de verlening van decharge aan bestuurders die in het afgelopen boekjaar in functie waren, voor hun bestuur over dat boekjaar.
- 9.1.3 De in artikel 9.1.2 bedoelde onderwerpen hoeven niet te worden opgenomen in de agenda als de termijn voor het opmaken van de jaarrekening en, als dat van toepassing

is, voor het overleggen van het bestuursverslag is verlengd, of een voorstel daartoe op die agenda is geplaatst.

- 9.1.4 Een Algemene Vergadering wordt verder bijeengeroepen wanneer het bestuur, een aandeelhouder of een Stemgerechtigde dat nodig vindt.

9.2 Plaats en oproeping

- 9.2.1 Algemene Vergaderingen worden gehouden in de gemeente waar de Vennootschap haar zetel heeft, of in Rotterdam, Den Haag, Utrecht, Eindhoven en de gemeente Haarlemmermeer (Luchthaven Schiphol).
- 9.2.2 Vergadergerechtigden worden tot de Algemene Vergadering opgeroepen door het bestuur, een bestuurder of een Stemgerechtigde.
- 9.2.3 Oproeping vindt plaats met inachtneming van de termijn als bedoeld in artikel 2:225 BW.
- 9.2.4 Als aan één of meer van de in artikel 9.2.1 of artikel 9.2.3 bedoelde vereisten niet is voldaan, kunnen in een Algemene Vergadering alleen geldige besluiten worden genomen als alle Vergadergerechtigden ermee hebben ingestemd dat besluitvorming plaatsvindt en de bestuurders voorafgaand aan de besluitvorming in de gelegenheid zijn gesteld om advies uit te brengen.
- 9.2.5 Bij de oproeping wordt de agenda vermeld en ook de plaats en het tijdstip van de Algemene Vergadering. Artikel 9.2.4 is van overeenkomstige toepassing op besluitvorming over onderwerpen die niet in de oproeping zijn opgenomen of die niet in een aanvullende oproeping zijn aangekondigd met inachtneming van de voor oproeping gestelde termijn.

9.3 Vergaderorde

- 9.3.1 De Algemene Vergadering wordt voorgezeten door de Voorzitter of, als de Voorzitter afwezig is, door de Vice-Voorzitter. Als zowel de Voorzitter als de Vice-Voorzitter afwezig is, benoemt de Algemene Vergadering zelf haar voorzitter. De voorzitter van de Algemene Vergadering wijst een secretaris aan.
- 9.3.2 De Algemene Vergadering wordt genotuleerd.
- 9.3.3 De bestuurders kunnen de Algemene Vergaderingen bijwonen en hebben als zodanig in de Algemene Vergaderingen een raadgevende stem.

9.4 Stemprocedure en volmacht

- 9.4.1 In de Algemene Vergadering geeft ieder aandeel recht op het uitbrengen van een stem. In de Algemene Vergadering kan geen stem worden uitgebracht voor aandelen die de Vennootschap of een Dochtermaatschappij houdt of waarvan de Vennootschap of een Dochtermaatschappij de certificaten houdt. De pandhouder of vruchtgebruiker van een aandeel dat de Vennootschap of een Dochtermaatschappij houdt, is echter niet van het stemrecht uitgesloten als het pandrecht of het recht van vruchtgebruik is gevestigd voordat de Vennootschap of de Dochtermaatschappij het aandeel hield. De Vennootschap of een Dochtermaatschappij kan geen stem uitbrengen voor een aandeel waarop zij een pandrecht of een recht van vruchtgebruik heeft.
- 9.4.2 Bij de vaststelling in hoeverre aandeelhouders stemmen, aanwezig of vertegenwoordigd zijn, of in hoeverre het aandelenkapitaal verschaft wordt of vertegenwoordigd is, wordt geen rekening gehouden met aandelen waarvoor geen stem kan worden uitgebracht op grond van de wet of deze statuten. Blanco stemmen, stemonthoudingen en ongeldige stemmen worden aangemerkt als niet-uitgebracht.

- 9.4.3 In een Algemene Vergadering kunnen alleen geldige besluiten worden genomen als meer dan vijftig procent (50%) van het geplaatste en uitstaande kapitaal van de Vennootschap aanwezig of vertegenwoordigd is. Als er geen besluit kan worden genomen omdat niet aan het quorumvereiste als bedoeld in de vorige zin is voldaan, wordt er een tweede Algemene Vergadering als bedoeld in artikel 2:230 lid 3 BW opgeroepen met inachtneming van artikel 2:225 BW. Onverminderd het bepaalde in artikel 2:334cc lid 1 onder d BW kunnen in deze tweede Algemene Vergadering besluiten worden genomen ongeacht het in die Algemene Vergadering aanwezige of vertegenwoordigde gedeelte van het geplaatste kapitaal.
- 9.4.4 Besluiten worden genomen bij volstreekte meerderheid van de uitgebrachte stemmen, tenzij bij de wet of deze statuten uitdrukkelijk een grotere meerderheid wordt voorgeschreven. Aandeelhouders van de Vennootschap die partij zijn bij de Aandeelhoudersovereenkomst nemen de meerderheidsvereisten voor besluiten van de Algemene Vergadering zoals in die overeenkomst uiteengezet in acht.
- 9.4.5 Als de stemmen over benoeming van personen staken, komt geen besluit tot stand. Bij staking van stemmen over andere onderwerpen is het voorstel verworpen.
- 9.4.6 Het bestuur kan besluiten dat iedere Vergaderingerechtigde door middel van een elektronisch communicatiemiddel rechtstreeks kennis kan nemen van en deel kan nemen aan de Algemene Vergadering.
- 9.4.7 Het bestuur kan besluiten dat iedere Stemgerechtigde door middel van een elektronisch communicatiemiddel in persoon of door een schriftelijk gevolmachtigde het stemrecht kan (doen) uitoefenen.
- 9.4.8 Het bestuur kan voorwaarden verbinden aan het gebruik van het elektronisch communicatiemiddel. In de oproeping worden deze voorwaarden vermeld of wordt vermeld waar deze kunnen worden geraadpleegd.
- 9.4.9 Vergaderingerechtigden kunnen zich in de Algemene Vergadering door een schriftelijk gevolmachtigde laten vertegenwoordigen.
- 9.5 Besluiten buiten vergadering**
- 9.5.1 Stemgerechtigden kunnen alle besluiten die zij in een Algemene Vergadering kunnen nemen ook buiten vergadering nemen. De bestuurders worden in de gelegenheid gesteld voorafgaand aan de besluitvorming over het voorstel advies uit te brengen.
- 9.5.2 Een besluit buiten vergadering is alleen geldig als alle Vergaderingerechtigden met deze wijze van besluitvorming hebben ingestemd en het voorstel verder schriftelijk of op reproduceerbare wijze langs elektronische weg is aangenomen zoals wordt voorgeschreven door de wet en deze statuten.
- 9.5.3 Degenen die buiten vergadering een besluit hebben genomen, stellen het bestuur meteen in kennis van het genomen besluit.
- 9.6 Vergaderingen van houders van aandelen van een bepaalde soort of aanduiding**
- 9.6.1 Een vergadering van houders van aandelen van een bepaalde soort of aanduiding wordt gehouden wanneer een besluit van die vergadering noodzakelijk is of het bestuur dat nodig vindt. Verder wordt een dergelijke vergadering gehouden als één of meer Vergaderingerechtigden die alleen of samen ten minste één honderdste van het geplaatste kapitaal aan aandelen van deze soort of aanduiding vertegenwoordigen dat nodig vinden, tenzij een zwaarwichtig belang van de Vennootschap zich daartegen verzet.

- 9.6.2 Als één of meer personen als bedoeld in artikel 9.6.1 een vergadering van houders van aandelen van een bepaalde soort of aanduiding nodig vinden, kunnen zij een verzoek daartoe doen aan het bestuur. Bij het verzoek wordt nauwkeurige opgave gedaan van de te behandelen onderwerpen. Als in dat geval de vergadering niet zo bijeen wordt geroepen dat zij binnen tien (10) dagen na het verzoek wordt gehouden, kan iedere verzoeker zelf oproepen, met inachtneming van deze statuten.
- 9.6.3 De artikelen 9.2 (*Plaats en oproeping*) tot en met 9.5 (*Besluiten buiten vergadering*) zijn van overeenkomstige toepassing op vergaderingen van houders van aandelen van een bepaalde soort of aanduiding en de besluiten die door die vergaderingen genomen kunnen worden. De oproeping vindt niet later plaats dan op de zesde dag voor de vergadering.
- 9.6.4 Zolang geen stemrecht kan worden uitgeoefend in de vergadering van aandelen van een bepaalde soort of aanduiding, komen de aan die vergadering verbonden rechten toe aan de Algemene Vergadering.

10 BOEKJAAR, JAARSTUKKEN EN ACCOUNTANT

10.1 Boekjaar en jaarstukken

- 10.1.1 Het boekjaar is gelijk aan het kalenderjaar.
- 10.1.2 Jaarlijks binnen vijf maanden na afloop van elk boekjaar maakt het bestuur een jaarrekening op en legt zij deze voor de Vergaderingerechtigden ter inzage op het kantoor van de Vennootschap. Op grond van bijzondere omstandigheden kan de Algemene Vergadering deze termijn verlengen met ten hoogste vijf maanden. Zolang effecten van de Vennootschap zijn toegelaten tot de handel op een gereguleerde markt als bedoeld in de Wet op het financieel toezicht maakt het bestuur, in afwijking van de vorige twee zinnen, jaarlijks binnen vier maanden na afloop van elk boekjaar een jaarrekening op en legt zij deze voor de Vergaderingerechtigden ter inzage op het kantoor van de Vennootschap; deze termijn kan niet worden verlengd.
- 10.1.3 Als de in artikel 10.2 (*Accountant*) bedoelde opdracht aan een accountant is verleend, wordt de verklaring van de accountant bij de jaarrekening gevoegd. Daarnaast wordt het bestuursverslag bij de jaarrekening gevoegd, tenzij artikel 2:391 BW niet voor de Vennootschap geldt. Ook worden de in artikel 2:392 lid 1 BW bedoelde overige gegevens bijgevoegd, voor zover het in dat lid bepaalde op de Vennootschap van toepassing is.
- 10.1.4 Alle bestuurders ondertekenen de jaarrekening; ontbreekt een ondertekening, dan wordt daarvan melding gemaakt onder opgaaf van de reden.
- 10.1.5 De Algemene Vergadering stelt de jaarrekening vast.
- 10.1.6 Artikel 2:210 lid 5 BW is op de vaststelling van de jaarrekening niet van toepassing.

10.2 Accountant

- 10.2.1 De Vennootschap kan een accountant als bedoeld in artikel 2:393 BW de opdracht verlenen om de door het bestuur opgemaakte jaarrekening te onderzoeken in overeenstemming met lid 3 van dat artikel. Als de wet dat verlangt, moet de Vennootschap deze opdracht verlenen.
- 10.2.2 De Algemene Vergadering verleent de opdracht aan de accountant. Verleent de Algemene Vergadering de opdracht niet, dan verleent het bestuur de opdracht.
- 10.2.3 De Algemene Vergadering en degene die de opdracht heeft verleend kunnen de aan de accountant verleende opdracht intrekken. Intrekking van de opdracht kan alleen om

gegronde redenen en met inachtneming van artikel 2:393 lid 2 BW.

- 10.2.4 De accountant brengt over zijn onderzoek verslag uit aan de Auditcommissie en aan het bestuur en geeft de uitslag van zijn onderzoek weer in een verklaring over de getrouwheid van de jaarrekening.

11 RESULTATEN, RESERVES EN UITKERINGEN

11.1 Resultaten

- 11.1.1 De Resultaten worden als volgt verdeeld:

- (a) de Bear Aandelen A Resultaten;
- (b) de Bear Aandelen B Resultaten;
- (c) de Titan Aandelen A Resultaten; en
- (d) de Titan Aandelen B Resultaten.

De verdeling van de Resultaten zal worden opgenomen en verwerkt in de jaarrekening zoals vastgesteld door de Algemene Vergadering of, in een voorkomend geval, in tussentijdse vermogensopstellingen, tenzij de Algemene Vergadering met unanieme stemmen anders besluit. Op verzoek van een aandeelhouder zal het bestuur de verzoekende aandeelhouder binnen een redelijke termijn voorzien van de actuele verdeling van de Resultaten.

- 11.1.2 Bij het opstellen van de jaarrekening zal het bestuur de Resultaten bepalen na belastingen.

11.2 Reserves

- 11.2.1 De Vennootschap kan voor de Bear Aandelen A, de Bear Aandelen B, de Titan Aandelen A en de Titan Aandelen B een afzonderlijke agioreserve aanhouden. Iedere storting (in geld of in natura) op een aandeel die het nominale bedrag van dat aandeel te boven gaat, wordt toegevoegd aan de agioreserve die wordt aangehouden voor het aandeel waarop de storting wordt gedaan. De aandelen waarvoor een agioreserve wordt aangehouden, geven bij uitsluiting recht op de betreffende agioreserve.

- 11.2.2 Het bestuur houdt een zodanige administratie aan dat te allen tijde kan worden vastgesteld welk bedrag van een agioreserve kan worden toegekend aan elk afzonderlijk aandeel dat recht geeft op de betreffende agioreserve.

- 11.2.3 Naast de andere reserves houdt de Vennootschap een winstreserve aan voor:

- (a) de Bear Aandelen A, waartoe de Bear Aandelen A bij uitsluiting recht geven;
- (b) de Bear Aandelen B, waartoe de Bear Aandelen B bij uitsluiting recht geven;
- (c) de Titan Aandelen A, waartoe de Titan Aandelen A bij uitsluiting recht geven; en
- (d) de Titan Aandelen B, waartoe de Titan Aandelen B bij uitsluiting recht geven.

Waar deze statuten verwijzen naar winstreserves, worden bovengenoemde winstreserves bedoeld, tenzij uitdrukkelijk anders is bepaald.

- 11.2.4 Het bestuur houdt aantekening van de bedragen die worden gedebiteerd of gecrediteerd aan:

- (a) de Bear Aandelen A Winstreserve, met betrekking tot elk afzonderlijk Bear Aandeel A;
- (b) de Bear Aandelen B Winstreserve, met betrekking tot elk afzonderlijk Bear Aandeel B;
- (c) de Titan Aandelen A Winstreserve, met betrekking tot elk afzonderlijk Titan Aandeel A; en

- (d) de Titan Aandelen B Winstreserve, met betrekking tot elk afzonderlijk Titan Aandeel B.
- 11.2.5 Na vaststelling van de jaarrekening als bedoeld in artikel 10.1.5 kan het bestuur besluiten de Resultaten zoals blijken uit de jaarrekening geheel of gedeeltelijk te reserveren.
- 11.2.6 De Resultaten die resteren na toepassing van artikel 11.2.5 worden als volgt toegerekend:
 - (a) de resterende Bear Aandelen A Resultaten worden gecrediteerd aan de Bear Aandelen A Winstreserve;
 - (b) de resterende Bear Aandelen B Resultaten worden gecrediteerd aan de Bear Aandelen B Winstreserve;
 - (c) de resterende Titan Aandelen A Resultaten worden gecrediteerd aan de Titan Aandelen A Winstreserve; en
 - (d) de resterende Titan Aandelen B Resultaten worden gecrediteerd aan de Titan Aandelen B Winstreserve.
- 11.2.7 Het bestuur kan, met goedkeuring van de vergadering van de houders van aandelen die recht geven op de betreffende winstreserve, besluiten tussentijds een specifieke winstreserve te crediteren of te debiteren. Het bedrag van de creditering of debitering is gelijk aan een evenredig deel, berekend tot en met de datum van het besluit van het bestuur als bedoeld in de eerste zin, van de totale Bear Aandelen A Resultaten, de Bear Aandelen B Resultaten, de Titan Aandelen A Resultaten en/of Titan Aandelen B Resultaten, al naargelang het geval, dat overeenkomstig artikel 11.2.6 zal worden gecrediteerd of gedebiteerd bij de vaststelling van de jaarrekening over het relevante boekjaar, zoals in redelijkheid voorspeld door het bestuur. Enig bedrag dat overeenkomstig dit artikel 11.2.7 tussentijds wordt gecrediteerd of gedebiteerd zal worden verrekend met het totale bedrag waarmee de relevante winstreserve overeenkomstig artikel 11.2.6 wordt gecrediteerd of gedebiteerd bij de vaststelling van de jaarrekening over het betreffende boekjaar.
- 11.3 Uitkeringen**
 - 11.3.1 Voor zover het eigen vermogen van de Vennootschap groter is dan het totale bedrag van de reserves als bedoeld in artikel 2:216 lid 1 BW, kan de Algemene Vergadering, op voorstel van het bestuur en met goedkeuring van de vergadering van houders van aandelen die recht geven op de specifieke reserve, besluiten over een uitkering uit:
 - (a) een specifieke agioreserve als bedoeld in artikel 11.2.1; en/of
 - (b) een specifieke winstreserve als bedoeld in artikel 11.2.3.
 Een besluit tot uitkering uit een reserve behoeft de goedkeuring van het bestuur. Het bestuur weigert slechts de goedkeuring indien het weet of redelijkerwijs behoort te voorzien dat de Vennootschap na de uitkering niet zal kunnen blijven voortgaan met het betalen van haar opeisbare schulden.
 - 11.3.2 Een uitkering op een of meer aandelen ten laste van een reserve waarop die aandelen bij uitsluiting recht geven kan uitsluitend plaatsvinden voor zover het totaal aan rechten op agioreserves en winstreserves ter zake van de aandelen van de betreffende soort een positief saldo vertoont.
 - 11.3.3 Bij de berekening van de verdeling van een uitkering tellen de aandelen die de Vennootschap in haar kapitaal houdt of waarvan zij de certificaten houdt niet mee. In

afwijking van de vorige zin tellen deze aandelen wel mee als op deze aandelen een pandrecht of een recht van vruchtgebruik rust of voor deze aandelen certificaten zijn uitgegeven ten gevolge waarvan het recht op uitkering toekomt aan de pandhouder, de vruchtgebruiker of de certificaathouder.

- 11.3.4 Een uitkering ten laste van een reserve kan slechts worden gedaan op aandelen die overeenkomstig artikel 11.2.1 en 11.2.3 gerechtigd zijn tot de betreffende reserve, en geschiedt in verhouding tot de gerechtigdheid van het individuele aandeel tot het saldo van de desbetreffende reserve op het moment van de uitkering, tenzij anders is bepaald bij besluit van de vergadering van houders van aandelen die gerechtigd zijn tot die specifieke reserve. Bij de berekening van het bedrag dat op ieder aandeel zal worden uitgekeerd, wordt alleen het bedrag van de verplichte stortingen op het nominale bedrag van de aandelen in aanmerking genomen. Van de vorige zin kan telkens met instemming van alle aandeelhouders worden afgeweken.
- 11.3.5 Uitkeringen zijn opeisbaar vier weken na vaststelling, tenzij de Algemene Vergadering op voorstel van het bestuur een andere datum bepaalt.
- 11.3.6 De Algemene Vergadering kan, met goedkeuring van de vergadering van houders van aandelen die recht geven op de betreffende reserve, besluiten dat uitkeringen geheel of gedeeltelijk in een andere vorm dan in geld worden uitgekeerd.

12 BIJZONDERE BESLUITEN EN ONTBINDING

12.1 Statutenwijziging, juridische fusie, juridische splitsing en ontbinding

De Algemene Vergadering kan, uitsluitend op voorstel van het bestuur, besluiten tot statutenwijziging, een juridische fusie of juridische splitsing waarbij de Vennootschap betrokken is, of ontbinding van de Vennootschap, onverminderd de artikelen 2:331 BW en 2:334ff BW en het vereiste van goedkeuring van de vergadering van houders van een bepaalde soort of instemming als dit uit de wet voortvloeit.

12.2 Vereffening

- 12.2.1 Als de Vennootschap wordt ontbonden als gevolg van een besluit van de Algemene Vergadering en haar vermogen moet worden vereffend, worden de bestuurders vereffenaars, tenzij het bestuur voorafgaand aan of gelijktijdig met het besluit van de Algemene Vergadering tot ontbinding van de Vennootschap één of meer andere vereffenaars benoemt.
- 12.2.2 De Algemene Vergadering stelt de beloning van de vereffenaars vast.
- 12.2.3 De vereffening vindt plaats met inachtneming van de wettelijke bepalingen, deze statuten en de Aandeelhoudersovereenkomst. Tijdens de vereffening blijven deze statuten en de Aandeelhoudersovereenkomst voor zover mogelijk van kracht.
- 12.2.4 Wat na voldoening van alle schulden van het vermogen van de Vennootschap is overgebleven, wordt in overeenstemming met artikel 11.2.7 toegevoegd aan de reserves als bedoeld in artikel 11.2.1. Vervolgens worden de saldi van de betreffende reserves uitgekeerd op de aandelen die recht geven op de betreffende reserves, vermeerderd met de op die aandelen gestorte nominale waarde.
- 12.2.5 Nadat de Vennootschap heeft opgehouden te bestaan, worden haar boeken, bescheiden en andere gegevensdragers gedurende zeven (7) jaar bewaard door degene die daartoe door de vereffenaars of bij ontbreken van vereffenaars door het bestuur is aangewezen.

DE BRAUW
BLACKSTONE
WESTBROEK

ARTICLES OF ASSOCIATION

of:

HMH Holding B.V.

with corporate seat in Amsterdam

dated 22 October 2024

1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

In these articles of association:

"Audit Decree" means the Decree establishment audit committee (*Bestuit instelling auditcommissie*) as it reads from time to time;

"Audit Committee" means the corporate body referred to in the first sentence of article 8.5.1;

"Bear Director" means a managing director designated as Bear Director in accordance with article 8.1.2;

"Bear Shares" means the Bear Shares A and the Bear Shares B jointly;

"Bear Shares A" means the Shares A indicated as Bear Shares A;

"Bear Shares A Meeting" means the meeting of holders of Bear Shares A;

"Bear Shares A Profit Reserve" means the profit reserve referred to in article 11.2.4(a);

"Bear Shares A Results" means the results of the Company that are attributable to the HMH Netherlands Bear Shares A held by the Company, or any shares that have substituted all or part of those shares;

"Bear Shares B" means the Shares B indicated as Bear Shares B;

"Bear Shares B Meeting" means the meeting of holders of Bear Shares B;

"Bear Shares B Profit Reserve" means the profit reserve referred to in article 11.2.4(b);

"Bear Shares B Results" means the results of the Company that are attributable to the HMH Netherlands Bear Shares B held by the Company, or any shares that have substituted all or part of those shares;

"Bear Shares Meeting" means the meeting of holders of Bear Shares, being the Bear Shares A Meeting and Bear Shares B Meeting jointly;

"BW" means the Dutch Civil Code (*Burgerlijk Wetboek*);

"Chairperson" means the managing director designated as Chairperson by the management board in accordance with article 8.3.2;

"Company" means the private limited liability company organised as set out in these articles of association;

"Deputy Chairperson" means the managing director designated as Deputy Chairperson by the management board in accordance with article 8.3.2;

"General Meeting" means the corporate body that consists of all Persons Entitled to Vote, or the meeting in which Persons Entitled to Attend General Meetings assemble;

"HMH Netherlands" means HMH Holding (Netherlands) B.V., a private limited liability company, with corporate seat in Amsterdam, the Netherlands, and any of its legal successors under universal title;

"HMH Netherlands Bear Shares A" means the class A shares indicated as Bear Shares

A in the share capital of HMH Netherlands;

"HMH Netherlands Bear Shares B" means the class B shares indicated as Bear Shares B in the share capital of HMH Netherlands;

"HMH Netherlands Titan Shares A" means the class A shares indicated as Titan Shares A in the share capital of HMH Netherlands;

"HMH Netherlands Titan Shares B" means the class B shares indicated as Bear Shares B in the share capital of HMH Netherlands;

"Independent Director" means a managing director designated as Independent Director in accordance with article 8.1.2;

"Meeting Rights" means the right to attend and speak at the General Meeting or, in the case of a meeting of holders of shares of a specific class or indication, the meeting of holders of those shares, either in person or by a proxy authorised in writing;

"Ownership Requirement" means the ownership requirement referred to in article 3.2.1, first sentence;

"Persons Entitled to Attend General Meetings" means shareholders, pledgees with Meeting Rights, and usufructuaries with Meeting Rights;

"Persons Entitled to Vote" means shareholders with voting rights at the General Meeting, pledgees with voting rights at the General Meeting, and usufructuaries with voting rights at the General Meeting, or where the meeting of holders of shares of a specific class or indication adopts resolutions, with voting rights at that meeting;

"Results" means the Bear Shares A Results, the Bear Shares B Results, the Titan Shares A Results and the Titan Shares B Results;

"Shareholders' Agreement" means the shareholders' agreement in relation to the Company initially entered into by the Company's shareholders on the first day of October two thousand and twenty-one and as amended and restated on the eighth day of February two thousand and twenty-four, as amended from time to time, and which agreement is deposited at the Company's offices (i) for full inspection by the Company's shareholders and managing directors, and (ii) for full or partial inspection, at the discretion of the management board, by third parties if and insofar as, in the opinion of the management board, this is reasonably in the interest of understanding the Company's organisation. Third parties that are not a party to the Shareholders' Agreement cannot derive any rights from and have no obligations under said agreement or any provisions of these articles of association arising from the Shareholders' Agreement;

"Shares A" means class A ordinary shares in the Company's share capital, comprising the Bear Shares A and the Titan Shares A;

"Shares A Meeting" means the meeting of holders of Shares A;

"Shares B" means class B ordinary shares in the Company's share capital, comprising the Bear Shares B and the Titan Shares B;

"Shares B Meeting" means the meeting of holders of Shares B;

"Subsidiary" means a subsidiary as referred to in article 2:24a BW;

"Titan Director" means a managing director designated as Titan Director in accordance with article 8.1.2;

"Titan Shares" means the Titan Shares A and the Titan Shares B jointly;

"Titan Shares A" means the Shares A indicated as Titan Shares A;

"**Titan Shares A Meeting**" means the meeting of holders of Titan Shares A;
 "**Titan Shares A Profit Reserve**" means the profit reserve referred to in article 11.2.4(c);
 "**Titan Shares A Results**" means the results of the Company that are attributable to the HMH Netherlands Titan Shares A held by the Company, or any shares that have substituted all or part of those shares;
 "**Titan Shares B**" means the Shares B indicated as Titan Shares B;
 "**Titan Shares B Meeting**" means the meeting of holders of Titan Shares B;
 "**Titan Shares B Profit Reserve**" means the profit reserve referred to in article 11.2.4(d);
 "**Titan Shares B Results**" means the results of the Company that are attributable to the HMH Netherlands Titan Shares B held by the Company, or any shares that have substituted all or part of those shares;
 "**Titan Shares Meeting**" means the meeting of holders of Titan Shares, being the Titan Shares A Meeting and Titan Shares B Meeting jointly; and
 "**Transferor**" a shareholder who wants to transfer or shall offer his shares.

1.2 Interpretation

- 1.2.1 The management board, the Audit Committee, the General Meeting, the Shares A Meeting, the Shares B Meeting, the Bear Shares Meeting, the Titan Shares Meeting, the Bear Shares A Meeting, the Titan Shares A Meeting, the Bear Shares B Meeting and the Titan Shares B Meeting each constitute a distinct body of the Company.
- 1.2.2 The Shares A and the Shares B each form a separate class of shares in the Company's share capital. The Bear Shares A, the Titan Shares A, the Bear Shares B and the Titan Shares B each constitute shares of a specific indication (*aanduiding*).
- 1.2.3 Wherever in these articles of association reference is made to the meeting of holders of shares of a particular class or indication this shall be understood to mean the body of the Company consisting of the person or persons to whom, as a holder of shares of the relevant class or indication or otherwise, voting rights attached to shares of the relevant class or indication accrue, or (as the case may be) a meeting of such persons (or their representatives).
- 1.2.4 References to "articles" refer to articles that are part of these articles of association, except where expressly indicated otherwise.
- 1.2.5 References to one gender include all genders and references to the singular include the plural and vice versa.

2 NAME, SEAT AND OBJECTS

2.1 Name and seat

- 2.1.1 The name of the Company is: **HMH Holding B.V.**
- 2.1.2 The Company's seat is in Amsterdam.

2.2 Objects

The objects of the Company are:

- (a) to incorporate, to in any manner participate or take any other interest in, to manage and to supervise businesses and companies of whatever nature;
- (b) to give advice and to provide services to businesses and companies with which the Company is affiliated;
- (c) to finance businesses and companies with which the Company is affiliated;
- (d) to borrow and to raise funds, including the issuing of bonds, debentures or other

- securities, and to enter into related agreements; and
- (e) to issue guarantees, to commit the Company and to encumber the assets of the Company for the benefit of businesses, companies and other legal entities with which the Company is affiliated in a group and for the benefit of third parties, as well as any and all things that are related or may be conducive to the above, all of this in the broadest sense of the word.

3 CAPITAL, OWNERSHIP REQUIREMENT AND ISSUE OF SHARES

3.1 Capital and shares

3.1.1 The share capital of the Company consists of:

- (a) one or more Shares A with a nominal value of one euro (EUR 1) each, which shares have the following indication (*aanduiding*) and numbering:
- (i) Bear Shares A, which are numbered from Bear A1 onwards; or
 - (ii) Titan Shares A, which are numbered from Titan A1 onwards; and
- (b) one or more Shares B with a nominal value of one euro (EUR 1) each, which shares have the following indication (*aanduiding*) and numbering:
- (i) Bear Shares B, which are numbered from Bear B1 onwards; or
 - (ii) Titan Shares B, which are numbered from Titan B1 onwards.

3.1.2 Shares are in registered form. No share certificates are issued.

3.2 Ownership requirement

- 3.2.1 Unless the Company has a sole shareholder, shareholders, other than the Company or a Subsidiary, may only be persons who are a party to or have adhered to the Shareholders' Agreement. In deviation from the preceding sentence, shareholders may also be those persons who have been exempted from fulfilling the Ownership Requirement by a resolution of the General Meeting.
- 3.2.2 If and as long as a shareholder fails to fulfil and is not exempted by the General Meeting from fulfilling the Ownership Requirement, the Meeting Rights and the voting rights attached to the shareholder's shares and the rights to receive dividends, payments, repayments or any other distributions from the Company on such shares shall be suspended.
- 3.2.3 The suspension of Meeting Rights and voting rights referred to in article 3.2.2 ends if the effect of the suspension is that voting rights cannot be exercised on any of the shares. Furthermore, the suspension of all rights referred to in article 3.2.2 ends in respect of a pledged share if and for as long as the voting right attached to that pledged share can be exercised by the pledgee following a transfer of the voting right in accordance with article 6.2.2.
- 3.2.4 If and as long as a shareholder fails to fulfil and is not exempted by the General Meeting from fulfilling the Ownership Requirement, the shareholder concerned must request the Company to designate one (1) or more prospective purchasers for all of his shares. The Company shall be required to, within three (3) months of receipt of the request referred to in the preceding sentence, designate one (1) or more persons who do fulfil or have been exempted from fulfilling the Ownership Requirement and who are willing and able to purchase all the shares held by the requesting person. The shareholder and the designated prospective purchaser(s) shall determine the price of the shares. Failing such agreement, the price shall be determined by an independent expert to be appointed by

the designated prospective purchaser(s) and the shareholder by mutual agreement. If the designated prospective purchaser(s) and the shareholder do not reach agreement on the appointment of an independent expert within twenty (20) days after the start of the discussions, each of the prospective purchaser(s) and the shareholder have the right to defer to the chairman of the Royal Dutch Association of Civil-law Notaries (*Koninklijke Notariële Beroepsorganisatie*) to appoint an expert.

3.2.5 If a designation, as referred to in the second sentence of article 3.2.4, is not made or not made in due time, or if due to circumstances beyond his control, not all the shares are purchased from the requesting person, such shareholder:

- (a) shall be irrevocably exempted from the Ownership Requirement and the suspension of the shareholders' rights referred to in article 3.2.2 shall end; and
- (b) must offer all of his (remaining) shares to one (1) or more persons who do fulfil or have been exempted from fulfilling the Ownership Requirement in accordance with article 7.3.

3.2.6 If a shareholder does not submit a request as referred to in the first sentence of article 3.2.4 within three (3) months after he ceased to comply with, without being exempted from, the Ownership Requirement, or if a shareholder who must offer his shares in accordance with article 3.2.5(b) has not made the offer as referred to in article 7.3 within one (1) month from the moment the exemption referred to in article 3.2.5(a) entered into effect, the Company is irrevocably authorised to, within one (1) month, designate one (1) or more prospective purchasers for all of such shareholder's shares and to transfer the shares.

3.3 Issue of shares

- 3.3.1 The management board resolves on the issue of shares and determines the issue price, as well as the other terms and conditions of the issue.
- 3.3.2 Article 3.3.1 applies equally if rights to subscribe for shares are granted, but not if shares are issued to a person exercising a right to subscribe for shares.
- 3.3.3 Shares may not be issued at an issue price below the nominal value of the shares.
- 3.3.4 Shares are issued by notarial deed.

3.4 Pre-emptive rights

Subject to the provisions in the Shareholders' Agreement, which shall be complied with, a shareholder has no pre-emptive rights if shares are issued or rights to subscribe for shares are granted.

4 OWN SHARES AND CAPITAL REDUCTION

4.1 Acquisition and disposal of own shares

- 4.1.1 The management board resolves on the acquisition by the Company of fully paid-up shares or depositary receipts for fully paid-up shares. Acquisition by the Company of not fully paid-up shares or depositary receipts for not fully paid-up shares is void.
- 4.1.2 Article 3.3.1 equally applies if the Company disposes of own shares, except that the disposal may be made at a price below the nominal value of the shares. The share transfer restrictions referred to in article 7.2 (*Transfer of shares in accordance with the Shareholders' Agreement*) will not apply.

4.2 Capital reduction

- 4.2.1 The General Meeting may resolve to reduce the issued share capital.

- 4.2.2 The issued share capital may be reduced by an amendment of the articles of association reducing the nominal value of shares or by cancelling shares.

5 SHAREHOLDERS REGISTER, NOTICES OF MEETINGS AND NOTIFICATIONS

5.1 Shareholders register

- 5.1.1 The management board shall keep a shareholders register as referred to in article 2:194 BW.
- 5.1.2 The management board shall make the shareholders register available at the Company's office for inspection by the Persons Entitled to Attend General Meetings.

5.2 Notices of meetings and notifications

- 5.2.1 Notices of meetings and notifications to Persons Entitled to Attend General Meetings must be in writing and sent to the addresses stated in the shareholders register. If a Person Entitled to Attend General Meetings consents, notices of meetings and notifications may be sent to that person by email.
- 5.2.2 Notifications to the management board must be in writing and sent to the Company's address, or by email to the address provided for this purpose.

6 DEPOSITARY RECEIPTS FOR SHARES AND LIMITED RIGHTS TO SHARES

6.1 Depositary receipts for shares

Meeting Rights may not be attached to depositary receipts for shares.

6.2 Right of pledge

- 6.2.1 Shares may be pledged.
- 6.2.2 The pledgee has the voting rights attached to pledged shares if this was agreed in writing when the right of pledge was created or at a later date and the pledgee is a person to whom the shares can be freely transferred or if the General Meeting has approved the grant of voting rights and - if another person succeeds to the rights of the pledgee - the transfer of the voting rights.
- 6.2.3 Only pledgees with voting rights have Meeting Rights. Shareholders who do not have voting rights as a result of a share pledge, do have Meeting Rights.

7 TRANSFER OF SHARES AND SHARE TRANSFER RESTRICTIONS

7.1 Transfer of shares

- 7.1.1 The transfer of shares or of a right of usufruct on shares, the creation or release of a right of usufruct on shares, and the creation of a right of pledge on shares must be effected by notarial deed. The transfer of depositary receipts for shares and the release of a right of pledge on shares may be effected by private instrument. The pledgee and the pledgor must inform the Company of the release of a right of pledge.
- 7.1.2 The provisions of articles 7.2 up to and including article 7.7 apply to a transfer of shares. In deviation from the preceding sentence, the provisions of articles 7.2 up to and including article 7.7 and article 2:195 BW do not apply to a transfer of shares in the context of the enforcement of a right of pledge on such shares in accordance with article 3:248 BW.

7.2 Transfer of shares in accordance with the Shareholders' Agreement

The transfer of one or more shares by a shareholder who is a party to the Shareholders' Agreement may only take place in accordance with the Shareholders' Agreement. Such a transfer of shares is not subject to the share transfer restrictions as referred to in articles 7.3 through 7.7 or article 2:195 BW.

7.3 Transfer of shares not in accordance with the Shareholders' Agreement

- 7.3.1 A shareholder who wishes to transfer one or more shares but who is not or no longer a party to the Shareholders' Agreement, shall first offer his shares to the other shareholders; the Company is only designated as a shareholder if the Transferor agrees to this. The restrictions and rules referred to in article 7.4 through article 7.7 apply.
- 7.3.2 Article 7.3.1 does not apply to a transfer of shares to a designated prospective purchaser in accordance with article 3.2.4 or article 3.2.6.

7.4 Offer to the other shareholders: procedure

- 7.4.1 A Transferor notifies the management board that he wants to transfer shares. In this notification, the Transferor shall indicate:
- (a) the number of shares he wants to transfer;
 - (b) the class and/or indication and reference of those shares, if applicable; and
 - (c) the persons who he wants to transfer those shares to.
- 7.4.2 The management board ensures that the other shareholders are notified of the Transferor's offer within seven (7) days of receiving the notification referred to in article 7.4.1.
- 7.4.3 The Transferor and the other shareholders are then given the opportunity to consult each other about the purchase of the shares and the price. As soon as they reach agreement, a purchase agreement will be concluded. If they do not reach agreement within twenty (20) days, articles 7.5 through 7.7 will apply.

7.5 Offer to the other shareholders: determining the price

- 7.5.1 The Transferor and the management board shall consult each other to designate an independent expert. If they fail to reach agreement on this, the independent expert will be designated by the chairman of the Royal Dutch Association of Civil-law Notaries (*Koninklijke Notariële Beroepsorganisatie*). The independent expert determines the price of the shares.
- 7.5.2 Within ten (10) days of the independent expert's notification of the price to the Transferor and the management board, the management board notifies the other shareholders. In this notification, the management board shall indicate:
- (a) the Transferor's name;
 - (b) the persons who the Transferor wants to transfer the shares to;
 - (c) the number of shares the Transferor wants to transfer;
 - (d) the class and reference of those shares, if applicable; and
 - (e) the price determined by the independent expert.
- 7.5.3 Shareholders who want to purchase shares shall notify the management board of their intention, specifying the number of shares they want to purchase, within thirty (30) days of receiving the notification referred to in article 7.5.2.
- 7.5.4 Ten (10) days after the period referred to in article 7.5.3 has expired, the management board notifies the Transferor whether there are any prospective purchasers among the other shareholders and how many shares they would like to purchase.
- 7.5.5 After the management board's notification referred to in article 7.5.4, the Transferor has thirty (30) days to decide whether to sell his shares to the prospective purchasers.
- 7.5.6 The costs of determining the price are paid by the Transferor.
- 7.5.7 If the Transferor does not withdraw his offer, and if there are prospective purchasers for

all the shares that are on offer, a purchase agreement will be concluded.

- 7.5.8 If the other shareholders are unwilling to purchase all the shares that are on offer, the Transferor may transfer all the shares, within ninety (90) days, to the persons referred to in the notification as referred to in article 7.5.1, for at least the same price and subject to the same conditions on which the other shareholders could have purchased the shares.
- 7.5.9 The Transferor shall transfer the shares within twenty (20) days after the expiry of the period referred to in article 7.5.5. The prospective purchasers shall simultaneously pay the price of the shares in cash to the Transferor.
- 7.6 Offer to the other shareholders: default of prospective purchaser**
- 7.6.1 If a prospective purchaser has defaulted on payment, the Transferor may terminate the purchase agreement by notifying the management board within fifteen (15) days from when the default began. The management board immediately notifies the prospective purchaser of this fact.
- 7.6.2 If there are no other prospective purchasers, the Transferor may, within ninety (90) days of the notification in article 7.6.1, transfer all his offered shares (and not some of them) to the persons indicated in the notification referred to in article 7.4.1.
- 7.6.3 If there are other prospective purchasers who did pay, the unpaid shares will be deemed to have been offered to those prospective purchasers. The management board shall notify the prospective purchasers of this fact as soon as possible.
- 7.6.4 If not all unpaid shares have been purchased by the prospective purchasers within twenty (20) days of the notification referred to in article 7.6.3, the Transferor may transfer those unpaid shares to the persons indicated in the notification referred to in article 7.4.1 within ninety (90) days of the end of the twenty-day period mentioned above.
- 7.7 Offer to the other shareholders: default of Transferor**
- 7.7.1 If the Transferor defaults on the transfer of the shares, the Company is irrevocably authorised to transfer the shares.
- 7.7.2 The Company shall proceed to transfer the shares on the basis of article 7.7.1 within ten (10) days after the right holder to the shares makes such a request to the Company.

8 MANAGEMENT

8.1 Appointment, suspension, dismissal, inability to act and vacancy

- 8.1.1 The Company is managed by the management board. If the Company has one (1) shareholder, the number of managing directors is determined by the General Meeting. If the Company has more than one (1) shareholder, the number of managing directors is determined by the management board. In the latter instance, the management board may consist of one (1) or more Bear Directors, one (1) or more Titan Directors and one (1) or more Independent Directors.
- 8.1.2 The General Meeting appoints the managing directors and may designate managing directors as Bear Directors, Titan Directors and Independent Directors, respectively. The General Meeting may suspend and dismiss managing directors.
- 8.1.3 If any managing director positions are vacant or any managing directors are unable to act, the remaining managing director or directors shall manage the Company. If all managing director positions are vacant or all managing directors are unable to act, a person designated for that purpose by the General Meeting shall temporarily manage the Company. If all managing director positions are vacant, that person shall as soon as

possible take the necessary measures to make definitive arrangements. "Unable to act" means a managing director is temporarily unable to perform his duties as a result of:

- (a) suspension;
- (b) illness; or
- (c) inaccessibility.

8.2 Remuneration

The General Meeting determines the remuneration and other terms which apply to the managing directors. Reasonable out-of-pocket costs incurred by the managing directors in connection with the performance of their duties as a managing director of the Company will be reimbursed by the Company.

8.3 Internal organisation and adoption of resolutions

- 8.3.1 The management board may adopt written rules governing its internal proceedings. Subject to the approval of the General Meeting, the managing directors may also divide their duties, in rules or otherwise. Furthermore, the management board may grant titles to individual managing directors.
- 8.3.2 The management board meets whenever a managing director deems it necessary. The management board (i) designates an Independent Director, or if no Independent Director is in office, one of the managing directors as Chairperson, and (ii) may designate one of the managing directors as Deputy Chairperson. The Chairperson presides the management board meetings. If the Chairperson is absent, the Deputy Chairperson shall preside. If both the Chairperson and the Deputy Chairperson are absent or not in office, one of the other managing directors, designated for that purpose by the managing directors present at the meeting concerned, shall preside.
- 8.3.3 All managing directors may be represented at a meeting by another managing director who is entitled to vote and who has been authorised in writing.
- 8.3.4 Each managing director has the right to cast one (1) vote, unless the following two (2) sentences, or either of them, apply. If two (2) Bear Directors are in office, but only one (1) of them is present or represented at a meeting, the Bear Director present or represented shall be entitled to cast two (2) votes, provided that at least two (2) votes can also be cast by or on behalf of other managing directors. If two (2) Titan Directors are in office, but only one (1) of them is present or represented at a meeting, the Titan Director present or represented shall be entitled to cast two (2) votes, provided that at least two (2) votes can also be cast by or on behalf of other managing directors.
- 8.3.5 Resolutions can only be validly adopted at a management board meeting if at least the majority of the managing directors in office and entitled to vote is present or represented, provided that, such majority comprises at least one (1) Bear Director, to the extent any Bear Directors are in office, and at least one (1) Titan Director, to the extent any Titan Directors are in office.
- 8.3.6 The management board adopts its resolutions by an absolute majority of votes cast. In a tie vote, the Chairperson will decide, provided that the Chairperson is an Independent Director; if the Chairperson is absent or is not an Independent Director, the resolution will be rejected.
- 8.3.7 If a managing director has a direct or indirect personal conflict of interest with the Company and its business, he may not participate in the management board's

deliberations and decision-making on that subject and does not qualify as a managing director entitled to vote on the subject. If no resolution of the management board can be adopted as a result, the General Meeting adopts the resolution.

- 8.3.8 The management board may also adopt resolutions without holding a meeting, provided that these resolutions are adopted in writing or by reproducible electronic communication and all managing directors entitled to vote have consented to adopting the resolution outside a meeting. Articles 8.3.6 and 8.3.7 equally apply to adoption by the management board of resolutions without holding a meeting.
- 8.3.9 Resolutions of the management board to, on behalf of the Company, exercise voting rights on shares in a meeting of holders of shares of a particular class and with a particular indication in the share capital of HMH Netherlands, require the prior approval of the meeting of holders of shares of the corresponding class and indication in the Company's share capital.
- 8.3.10 In addition to the management board resolutions referred to in article 8.3.9, the General Meeting may make other management board resolutions subject to its approval or the approval of the Bear Shares Meeting and/or the Titan Shares Meeting, provided that those resolutions have been clearly specified and notified to the management board. The absence of the approval by the General Meeting, the Bear Shares Meeting and/or the Titan Shares Meeting of a management board resolution does not affect the authority of the management board to represent the Company.
- 8.3.11 The management board may not file for bankruptcy of the Company without a mandate from the General Meeting.
- 8.3.12 The management board shall adhere to the directions of the General Meeting, unless the directions are contrary to the interests of the Company and its business.

8.4 Representation

- 8.4.1 The entire management board represents the Company (towards third parties). This authority to represent the Company is also vested in:
- (a) two (2) Independent Directors acting jointly;
 - (b) an Independent Director acting jointly with either a Bear Director or a Titan Director; or
 - (c) a Bear Director and a Titan Director acting jointly.
- 8.4.2 The management board may grant power to represent the Company (*procuratie*) or any other power to represent the Company on a continuing basis to one or more individuals whether or not employed by the Company. The management board may grant titles to the individuals referred to in the preceding sentence.

8.5 Audit Committee

- 8.5.1 The Company has a corporate body as referred to in article 2(4) of the Audit Decree. The Audit Committee has all duties and responsibilities as referred to in the Audit Decree, as well as such other tasks allocated to audit committees pursuant to applicable law.
- 8.5.2 The General Meeting determines the number of members of the Audit Committee with due observance of the Audit Decree. The members of the Audit Committee are appointed, suspended and dismissed by the General Meeting. The General Meeting may resolve to grant remuneration to the members of the Audit Committee.
- 8.5.3 The Audit Committee may adopt written rules governing its internal proceedings, with due

observance of the Audit Decree.

9 GENERAL MEETING, MEETING OF HOLDERS OF SHARES OF A SPECIFIC CLASS

9.1 Annual General Meeting

9.1.1 At least one General Meeting must be held during the Company's financial year, unless the matters referred to in article 9.1.2 have been resolved on without holding a meeting in accordance with article 9.5 (*Resolutions without holding a meeting*).

9.1.2 The agenda for the annual General Meeting must include the following items:

- (a) if article 2:391 BW applies to the Company, the deliberations on the management report;
- (b) the adoption of the annual accounts;
- (c) the allocation of profits; and
- (d) the discharge of managing directors in office in the preceding financial year for their management in that financial year.

9.1.3 The items referred to in article 9.1.2 do not need to be included on the agenda if the deadline for preparing the annual accounts and, if applicable, presenting the management report has been extended or if the agenda includes a proposal to that effect.

9.1.4 A General Meeting must furthermore be convened whenever the management board, a shareholder or a Person Entitled to Vote deems it necessary.

9.2 Location and notice of meetings

9.2.1 General Meetings are held in the municipality where the Company has its seat, or in Rotterdam, the Hague, Utrecht, Eindhoven and the municipality of Haarlemmermeer (Schiphol Airport), the Netherlands.

9.2.2 The management board, a managing director or a Person Entitled to Vote shall give notice of the General Meeting to Persons Entitled to Attend General Meetings.

9.2.3 Notice must be given in accordance with the deadline referred to in article 2:225 BW.

9.2.4 If one or more of the requirements referred to in article 9.2.1 or article 9.2.3 have not been met, valid resolutions may only be adopted at a General Meeting if all Persons Entitled to Attend General Meetings have consented to this method of adoption and the managing directors have been given the opportunity to issue advice prior to the adoption of the resolution.

9.2.5 The notice must specify the agenda, as well as the location and time of the General Meeting. Article 9.2.4 equally applies to adoption of resolutions on matters which have not been included in the notice or which have not been announced in a supplemental notice within the deadline for giving notice.

9.3 Order of business at the meeting

9.3.1 The General Meeting is chaired by the Chairperson, or, if the Chairperson is absent, by the Deputy Chairperson. If the Chairperson and the Deputy Chairperson are both absent, the General Meeting shall appoint its own chair. The person chairing the General Meeting appoints a secretary.

9.3.2 Minutes must be taken of the General Meeting.

9.3.3 Managing directors may attend General Meetings and have an advisory vote at General Meetings in their capacity of managing director.

9.4 Voting procedure and proxy

- 9.4.1 Each share confers the right to cast one vote at the General Meeting. At the General Meeting no vote may be cast on shares held by the Company or a Subsidiary, or on shares for which the Company or a Subsidiary holds the depositary receipts. Pledges or usufructuaries of shares held by the Company or a Subsidiary are, however, not excluded from the right to vote on those shares if the right of pledge or the right of usufruct was granted before the Company or the Subsidiary held the shares. The Company or a Subsidiary may not cast a vote on shares that it holds a right of pledge or usufruct on.
- 9.4.2 Shares that do not carry voting rights pursuant to the law or these articles of association are not taken into account in determining to what extent shareholders vote, are present or represented or to what extent the share capital is provided or represented. Blank votes, abstentions from voting and invalid votes are regarded as not having been cast.
- 9.4.3 Resolutions can only be validly adopted at a General Meeting where more than fifty percent (50%) of the aggregate issued and outstanding share capital of the Company is present or represented. If no resolution can be adopted because the quorum requirement referred to in the preceding sentence is not met, a second General Meeting as referred to in article 2:230(3) BW will be convened, taking into account article 2:225 BW. Subject to article 2:334cc(1)(d) BW, resolutions may be adopted at this second General Meeting regardless of the part of issued share capital present or represented at that General Meeting.
- 9.4.4 Resolutions are adopted by an absolute majority of the votes cast, unless the law or these articles of association specifically require a larger majority. Shareholders of the Company that are a party to the Shareholders' Agreement shall take into account the majority requirements for resolutions of the General Meeting as set out in that agreement.
- 9.4.5 In a tie vote on the appointment of persons, no resolution is adopted. In a tie vote on other matters, the proposal is rejected.
- 9.4.6 The management board may resolve that each Person Entitled to Attend General Meetings may directly observe and take part in the General Meeting by electronic communication.
- 9.4.7 The management board may resolve that each Person Entitled to Vote may exercise his voting rights by electronic communication, either in person or by a proxy authorised in writing.
- 9.4.8 The management board may attach conditions to the use of electronic communication. The notice of the General Meeting must set out these conditions or state where they can be consulted.
- 9.4.9 Persons Entitled to Attend General Meetings may be represented at the General Meeting by a proxy authorised in writing.
- 9.5 Resolutions without holding a meeting**
- 9.5.1 Persons Entitled to Vote may also adopt any resolutions which they may adopt at a General Meeting without holding a meeting. The managing directors must be given the opportunity to give advice about a motion before the motion is voted on.
- 9.5.2 A resolution adopted without holding a meeting will only be valid if all Persons Entitled to Attend General Meetings consent to this form of adoption and the resolution is adopted either in writing or by reproducible electronic communication as required by law and these articles of association.

- 9.5.3 Persons who have adopted a resolution without holding a meeting shall immediately notify the management board of the resolution.
- 9.6 Meetings of holders of shares of a specific class or indication**
- 9.6.1 A meeting of holders of shares of a specific class or indication must be held whenever a resolution of that meeting is required or the management board deems it necessary. In addition, meetings of holders of shares of a specific class or indication must be held if one or more Persons Entitled to Attend General Meetings who individually or jointly represent at least one hundredth of the issued share capital of that class or indication deem a meeting necessary, unless this is contrary to an overriding interest of the Company.
- 9.6.2 If one or more persons referred to in article 9.6.1 deem a meeting of holders of shares of a specific class or indication necessary, they may make a request to the management board to that effect. The request must clearly state the items to be discussed. If a managing director does not convene that meeting so that it is held within ten (10) days of the request, any of the persons requesting the meeting may convene the meeting in accordance with these articles of association.
- 9.6.3 Articles 9.2 (*Location and notice of meetings*) through 9.5 (*Resolutions without holding a meeting*) equally apply to meetings of holders of shares of a specific class or indication and the resolutions to be adopted by these meetings. The notice is sent no later than on the sixth day before the meeting.
- 9.6.4 As long as no votes may be cast at a meeting of holders of shares of a specific class or indication, the General Meeting will have the rights attached to that meeting.
- 10 FINANCIAL YEAR, ANNUAL REPORTING AND AUDITOR**
- 10.1 Financial year and annual reporting**
- 10.1.1 The financial year is the same as the calendar year.
- 10.1.2 Annually within five months after the end of each financial year the management board shall prepare annual accounts and make these available at the Company's office for inspection by the Persons Entitled to Attend General Meetings. The General Meeting may extend this period on the basis of special circumstances by no more than five months. As long as securities of the Company are admitted to trading on a regulated market as referred to in the Financial Supervision Act (*Wet op het financieel toezicht*) the management board shall, notwithstanding the previous two sentences, prepare annual accounts and make these available at the Company's office for inspection by Persons Entitled to Attend General Meetings annually within four months after the end of each financial year; this period cannot be extended.
- 10.1.3 If the mandate referred to in article 10.2 (*Auditor*) has been given, the auditor's statement must be added to the annual accounts. Furthermore, the management report must be added to the annual accounts, unless article 2:391 BW does not apply to the Company. The additional information referred to in article 2:392(1) BW must also be added insofar as that paragraph (1) applies to the Company.
- 10.1.4 The annual accounts must be signed by all managing directors; if any signature is missing, this must be stated and explained.
- 10.1.5 The General Meeting adopts the annual accounts.
- 10.1.6 Article 2:210(5) BW does not apply to the adoption of the annual accounts.

10.2 Auditor

- 10.2.1 The Company may give a mandate to an auditor as referred to in article 2:393 BW to audit the annual accounts prepared by the management board in accordance with article 2:393(3) BW. If the law so requires, the Company shall give this mandate.
- 10.2.2 The General Meeting gives the mandate to the auditor. If the General Meeting fails to give the mandate, the management board will give the mandate.
- 10.2.3 The mandate given to the auditor may be revoked by the General Meeting and by the corporate body which has given the mandate. The mandate may only be revoked for valid reasons and in accordance with article 2:393(2) BW.
- 10.2.4 The auditor shall report on the audit to the Audit Committee and the management board and set out the results of the audit in an auditor's statement on whether the annual accounts present a true and fair view.

11 RESULTS, RESERVES AND DISTRIBUTIONS

11.1 Results

- 11.1.1 The Results are allocated as follows:

- (a) the Bear Shares A Results;
- (b) the Bear Shares B Results;
- (c) the Titan Shares A Results; and
- (d) the Titan Shares B Results.

The allocation of the Results shall be included and reflected in the annual accounts as adopted by the General Meeting or, as the case may be, in the interim financial statements, unless unanimously resolved otherwise by the General Meeting. Upon a request by a shareholder, the management board shall within a reasonable period of time provide the requesting shareholder with the current allocation of the Results.

- 11.1.2 In preparing the annual accounts, the management board shall determine the Results after tax.

11.2 Reserves

- 11.2.1 The Company may provide for a separate share premium reserve for the Bear Shares A, the Bear Shares B, the Titan Shares A and the Titan Shares B. Each payment (in cash or in kind) on a share exceeding the nominal value of such share is credited to the share premium reserve maintained for the share on which the payment is made. The shares for which a share premium reserve is maintained give exclusive entitlement to the share premium reserve concerned.
- 11.2.2 The management board shall keep such records so that it can at all times ascertain which amount of a share premium reserve can be attributed to each individual share that gives entitlement to the share premium reserve concerned.
- 11.2.3 In addition to the other reserves, the Company shall maintain a profit reserve for:
 - (a) the Bear Shares A, to which the Bear Shares A give an exclusive entitlement;
 - (b) the Bear Shares B, to which the Bear Shares B give an exclusive entitlement;
 - (c) the Titan Shares A, to which the Titan Shares A give an exclusive entitlement; and
 - (d) the Titan Shares B, to which the Titan Shares B give an exclusive entitlement.
 Where these articles of association refer to profit reserves, reference is made to the above profit reserves, unless explicitly provided otherwise.

- 11.2.4 The management board shall keep record of the amounts debited or credited to:
- (a) the Bear Shares A Profit Reserve, with respect to each individual Bear Share A;
 - (b) the Bear Shares B Profit Reserve, with respect to each individual Bear Share B;
 - (c) the Titan Shares A Profit Reserve, with respect to each individual Titan Share A; and
 - (d) the Titan Shares B Profit Reserve, with respect to each individual Titan Share B.
- 11.2.5 Upon the adoption of the annual accounts referred to in article 10.1.5, the management board may resolve to reserve the Results, or any part thereof, as shown in the annual accounts.
- 11.2.6 The Results remaining after application of article 11.2.5 are attributed as follows:
- (a) the Bear Shares A Results remaining shall be credited to the Bear Shares A Profit Reserve;
 - (b) the Bear Shares B Results remaining shall be credited to the Bear Shares B Profit Reserve;
 - (c) the Titan Shares A Results remaining shall be credited to the Titan Shares A Profit Reserve; and
 - (d) the Titan Shares B Results remaining shall be credited to the Titan Shares B Profit Reserve.
- 11.2.7 The management board, with the approval of the meeting of holders of the shares entitled to the profit reserve concerned, may resolve to make an interim credit or debit to a particular profit reserve. The amount of the credit or debit shall be equal to the pro rata part, calculated up to and including the date of the management board resolution referred to in the first sentence, of the aggregate Bear Shares A Results, Bear Shares B Results, Titan Shares A Results and/or Titan Shares B Results, as the case may be, that is to be credited or debited in accordance with article 11.2.6 upon the adoption of the annual accounts of the financial year concerned as reasonably predicted by the management board. Any amount credited or debited in accordance with this article 11.2.7 shall be set off against the total amount credited or debited to the relevant profit reserve in accordance with article 11.2.6 upon the adoption of the annual accounts in the financial year concerned.
- 11.3 Distributions**
- 11.3.1 To the extent that the Company's equity exceeds the total amount of the reserves referred to in article 2:216(1) BW, the General Meeting, at the proposal of the management board and with the approval of the meeting of holders of shares entitled to the particular reserve, may resolve upon a distribution from:
- (a) a particular share premium reserve as referred to in article 11.2.1; and/or
 - (b) a particular profit reserve as referred to in article 11.2.3.
- A resolution to make a distribution from a reserve is subject to the management board's approval. The management board may only withhold its approval if it knows or should reasonably expect that the Company will be unable to continue paying its due debts after the distribution.
- 11.3.2 A distribution on one or more shares from a reserve to which such shares are exclusively entitled may only be made to the extent that the aggregate entitlement to share premium reserves and profit reserves in respect of the shares of the class of shares concerned

reflect a positive balance.

- 11.3.3 Shares held by the Company in its own share capital or for which depositary receipts have been issued that are held by the Company are not taken into account in determining how the amount to be distributed on shares is to be divided. These shares are, however, taken into account if they are subject to a right of pledge or a right of usufruct or if depositary receipts have been issued for these shares entitling the holder of that right or those depositary receipts to the distribution.
- 11.3.4 A distribution at the expense of a reserve can only be made on shares entitled to such reserve in accordance with article 11.2.1 and 11.2.3, and shall be made in proportion to the individual share's entitlement to the balance of the relevant reserve at the time of the distribution, unless determined otherwise by a resolution of the meeting of holders of shares entitled to that particular reserve. Only the amount of the mandatory payments on the nominal value of the shares is taken into account in determining the amount to be distributed on each share. The preceding sentence may be deviated from with the consent of all shareholders.
- 11.3.5 Distributions are due four weeks after they have been declared, unless the General Meeting sets a different date at the management board's proposal.
- 11.3.6 The General Meeting may, with the approval of the meeting of holders of shares entitled to the particular reserve, resolve that distributions will be fully or partly made other than in cash.

12 SPECIAL RESOLUTIONS AND DISSOLUTION

12.1 Amendment of these articles of association, legal merger, legal division, and liquidation

The General Meeting may, solely at the proposal of the management board, resolve upon an amendment of these articles of association, a legal merger or demerger involving the Company or the dissolution of the Company, subject to articles 2:331 BW and 2:334ff BW and the requirement of approval of the meeting of holders of shares of a specific class or indication or consent where this is based on the law.

12.2 Liquidation

- 12.2.1 If the Company is dissolved pursuant to a resolution of the General Meeting and its assets must be liquidated, the managing directors will become the liquidators unless the management board appoints one or more other liquidators prior to or simultaneously with the adoption of the General Meeting resolution to dissolve the Company.
- 12.2.2 The General Meeting determines the remuneration of the liquidators.
- 12.2.3 The liquidation takes place in accordance with statutory provisions, these articles of association and the Shareholders' Agreement. During the liquidation period these articles of association and the Shareholders' Agreement, as far as possible, will remain in full force.
- 12.2.4 The balance of the Company's assets after all liabilities have been paid will be added to the reserves referred to in article 11.2.1 in accordance with article 11.2.7. Subsequently, the balances of the reserves concerned shall be distributed on the shares entitled to the relevant reserves, together with the nominal value paid-up on such shares.
- 12.2.5 After the Company has ceased to exist, its books, records and other data carriers must remain in the custody of the person designated for that purpose by the liquidators or,

failing liquidators, by the management board, for a period of seven (7) years.

A document in evidence of the resolutions referred to in the opening statements of this deed, is attached to this deed.

The original copy of this deed was executed in Amsterdam, on the date mentioned at the top of this deed. I summarised and explained the substance of the deed. The individual appearing before me confirmed having taken note of the deed's contents and having agreed to a limited reading of the deed. I then read out those parts of the deed that the law requires. Immediately after this, the individual appearing before me, who is known to me, and I signed the deed.

Execution version

Appendix 2 - The Bond Terms

AMENDMENT AND RESTATEMENT AGREEMENT

in respect of the bond terms originally dated 15 November 2023 for the

**HMH Holding B.V. 9.875% senior secured USD 275,000,000 bonds 2023/2026 with ISIN
NO0013063495**

THIS AMENDMENT AND RESTATEMENT AGREEMENT (the “**Agreement**”) is dated 10 February 2025 and made between:

- (1) HMH Holding B.V., a private limited liability company existing under the laws of the Netherlands, having its official seat in Amsterdam, the Netherlands, with registration number 82719322 and LEI-code 8945008FRZIYPW0VW366 (the “**Issuer**”); and
- (2) Nordic Trustee AS, a company existing under the laws of Norway with registration number 963 342 624 and LEI-code 549300XAKTM2BMKIPT85 (the “**Bond Trustee**”),

each a “**Party**” and together the “**Parties**”.

WHEREAS

- (A) Pursuant to a summons for written resolution dated 9 December 2024 (the “**Summons**”) in respect of the HMH Holding B.V. 9.875% senior secured USD 275,000,000 bonds 2023/2026 with ISIN NO0013063495 (the “**Bonds**”), the Issuer requested the Bond Trustee to summon a written resolution to consider approval of certain proposed amendments to the bond terms dated 15 November 2023 in respect of the Bonds (the “**Bond Terms**”).
- (B) On 11 December 2024, the proposal set out in the Summons was adopted according to the voting requirements set out in the Bond Terms.
- (C) The Parties have entered into this Agreement to amend the Bond Terms in accordance with the Summons, subject to the terms set out herein.

IT IS AGREED AS FOLLOWS

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement, capitalised terms not otherwise defined herein shall have the meaning given to them in the Amended and Restated Bond Terms (irrespective of whether the Effective Time has occurred), unless the context requires otherwise.

“**Amended and Restated Bond Terms**” means the Bond Terms as amended and restated by this Agreement in the form set out in Schedule 2 (*Amended and Restated Bond Terms*).

“**Effective Time**” means (a) the time at which the Bond Trustee notifies the Issuer that it has received all of the documents and other evidence set out in Schedule 1 (*Conditions precedent to Effective Time*), in form and substance satisfactory to it, or (b) such earlier time as informed by the Bond Trustee to the Issuer in writing.

1.2 Construction

The provisions of clause 1.2 (*Construction*) of the Amended and Restated Bond Terms shall apply to this Agreement as though they were set out herein in their entirety (with any logical amendments).

2. AMENDMENT AND RESTATEMENT OF THE BOND TERMS

With effect from and including the Effective Time, the Bond Terms shall be amended and restated in the form set out in Schedule 2 (*Amended and Restated Bond Terms*), so that the rights, obligations and liabilities of the Issuer and the Bond Trustee under the Bond Terms, with effect from and including such time, shall be governed by, and read and construed in accordance with, the terms of the Amended and Restated Bond Terms.

3. GUARANTEE AND SECURITY CONFIRMATION

The Issuer confirms and undertakes that, upon and after the Effective Time:

- (a) the Transaction Security created or purporting to be created by it under any Transaction Security Document shall continue in full force and effect, and extend to all the obligations and liabilities covered or purporting to be covered thereby (including, without limitation, those relating to the Amended and Restated Bond Terms and the Bonds); and
- (b) save as expressly amended or otherwise provided for in this Agreement, the Bond Terms and the other Finance Documents, including each Transaction Security Document, shall remain in full force and effect and are hereby ratified and confirmed in all respects by the Parties as if herein set forth in their entirety.

4. REPRESENTATIONS AND WARRANTIES

The Issuer represents and warrants that:

- (a) each of the representations and warranties contained in clause 7 (*Representations and warranties*) of the Bond Terms are true and correct in all material respects as at the date hereof and the Effective Time; and
- (b) no Event of Default has occurred or would occur as a result of the issuance of the Additional Bonds.

5. FINANCE DOCUMENT

This Agreement shall constitute a Finance Document for the purposes of the Bond Terms (and, with effect from and including the Effective Time, the Amended and Restated Bond Terms).

6. GOVERNING LAW AND JURISDICTION

The provisions of clause 19 (*Governing law and jurisdiction*) of the Bond Terms shall be incorporated into this Agreement as if set out in full herein and *mutatis mutandis* as if references in that clause to “*these Bond Terms*” are references to this Agreement.

SIGNATURES

The Issuer:

HMH Holding B.V.

DocuSigned by:
Dan-Erik Nilsen
0170589AD493471.....

By: Dan-Erik Nilsen

Position: Attorney-in-fact

As Bond Trustee and Security Agent:

Nordic Trustee AS

DocuSigned by:
Vivian Trøsch
2C0DF1A82D8D6458.....

By: Vivian Trøsch

Position: Authorised signatory

SCHEDULE 1
Conditions precedent to Effective Time

- (a) This Agreement, duly executed by the Parties.
- (b) Copies of the Issuer's articles of association and of a full extract from the relevant company register in respect of the Issuer evidencing that the Issuer has been incorporated and exists as a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*).
- (c) Copies of all necessary corporate resolutions of the Issuer:
 - (i) approving the terms of, and the transactions contemplated by, this Agreement; and
 - (ii) authorising a specified person or persons to execute this Agreement on the Issuer's behalf.
- (d) Evidence that all outstanding costs and expenses of the Bond Trustee and its advisors relating to implementation of the Summons have been, or promptly following the Effective Time will be, paid.
- (e) Legal opinions or other statements as may be required by the Bond Trustee (including in respect of corporate matters relating to the Issuer).

SCHEDULE 2
Amended and Restated Bond Terms

AMENDED AND RESTATED BOND TERMS

FOR

HMH Holding B.V. 9.875% senior secured USD 275,000,000 bonds 2023/2026

INITIAL TEMPORARY ISIN NO0013063487

ISIN NO0013063495

Contents

Clause	Page
1. INTERPRETATION	3
2. THE BONDS	24
3. THE BONDHOLDERS.....	27
4. ADMISSION TO LISTING	27
5. REGISTRATION OF THE BONDS.....	28
6. CONDITIONS FOR DISBURSEMENT.....	28
7. REPRESENTATIONS AND WARRANTIES	32
8. PAYMENTS IN RESPECT OF THE BONDS	34
9. INTEREST.....	36
10. REDEMPTION AND REPURCHASE OF BONDS	37
11. PURCHASE AND TRANSFER OF BONDS.....	39
12. INFORMATION UNDERTAKINGS	39
13. GENERAL AND FINANCIAL UNDERTAKINGS	41
14. EVENTS OF DEFAULT AND ACCELERATION OF THE BONDS	47
15. BONDHOLDERS' DECISIONS	49
16. THE BOND TRUSTEE.....	54
17. AMENDMENTS AND WAIVERS	58
18. MISCELLANEOUS	59
19. GOVERNING LAW AND JURISDICTION.....	61

ATTACHMENT 1 COMPLIANCE CERTIFICATE

ATTACHMENT 2 RELEASE NOTICE – ESCROW ACCOUNT

ATTACHMENT 3 AGREED SECURITY PRINCIPLES

BOND TERMS originally dated 15 November 2023, as amended and restated by an amendment and restatement agreement dated <u>10</u> February 2025 and made between	
ISSUER:	HMH Holding B.V. , a private limited liability company existing under the laws of The Netherlands, having its official seat in Amsterdam, The Netherlands, with registration number 82719322 and LEI-code 8945008FRZIYPW0VW366; and
BOND TRUSTEE:	Nordic Trustee AS , a company existing under the laws of Norway with registration number 963 342 624 and LEI-code 549300XAKTM2BMKIPT85.
These Bond Terms shall remain in effect for so long as any Bonds remain outstanding.	

1. INTERPRETATION

1.1 Definitions

The following terms will have the following meanings:

“**Accounting Standard**” means GAAP.

“**Additional Bonds**” means the debt instruments issued under a Tap Issue, including any Temporary Bonds.

“**Additional Secured Financing**” means any credit facility with reputable financial institutions or any capital market instrument secured on a *pari passu* basis in the Transaction Security provided that such financing shall:

- (a) mature no earlier than six (6) months following the Maturity Date;
- (b) have no scheduled amortisation prior to the Maturity Date; and
- (c) not have a maximum commitment exceeding the amount of Outstanding Bonds (from time to time).

The agent, bond trustee or security trustee (however described) to such financing shall accede (in their respective capacities) to the Intercreditor Agreement.

“**Adjusted EBITDA**” means, in relation to a Relevant Period, EBITDA for that Relevant Period adjusted by:

- (a) including the operating profit before interest, tax, depreciation, amortisation and impairment charges (calculated on the same basis as EBITDA) of a Group Company for the Relevant Period (or attributable to a business or assets acquired by a Group Company during such period) prior to it becoming a Group Company or (as the case may be) prior to the acquisition of the business or assets; and
- (b) excluding the operating profit before interest, tax, depreciation, amortisation and impairment charges (calculated on the same basis as EBITDA) for the Relevant Period

of any Group Company (or, as the case may be, any business or assets) sold or disposed of by a Group Company during such period.

“Affiliate” means, in relation to any person:

- (a) any person which is a Subsidiary of that person;
- (b) any person with Decisive Influence over that person (directly or indirectly); and
- (c) any person which is a Subsidiary of an entity with Decisive Influence over that person (directly or indirectly).

“Agreed Security Principles” means the security principles set out in Attachment 3 (Agreed Security Principles) hereto.

“Amendment and Restatement Agreement” means the amendment and restatement agreement dated 10 February 2025 between the Issuer and the Bond Trustee in respect of these Bond Terms.

“Annual Financial Statements” means the audited consolidated annual financial statements of the Issuer for any financial year, prepared in accordance with the Accounting Standard, and to be certified by a director of the relevant company to give a true and fair view of its financial condition and operations as at the date at which those Annual Financial Statements were drawn up.

“Asset Sale Put Option” has the meaning ascribed to such term in Clause 10.4 (*Mandatory repurchase due to a Material Asset Sale*).

“Asset Sale Put Option Amount” means fifty (50.00) per cent. of the gross proceeds of a Material Asset Sale.

“Asset Sale Put Option Repayment Date” means the settlement date for the Asset Sale Put Option pursuant to Clause 10.4 (*Mandatory repurchase due to a Material Asset Sale*).

“Attachment” means any schedule, appendix or other attachment to these Bond Terms.

“Bond Currency” means the currency in which the Bonds are denominated, as set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

“Bond Escrow Account” means the CSD account in the name of the Issuer established prior to the Issue Date, to which the Existing Bonds (received as payment-in-kind for the Initial Temporary Bonds) will be credited.

“Bond Escrow Account Pledge” means the first priority pledge over the Bond Escrow Account in favour of the Bond Trustee on behalf of the holders of Initial Temporary Bonds and blocked so that no withdrawals can be made therefrom without the Bond Trustee’s prior written consent.

“Bond Terms” means these terms and conditions, including all Attachments which form an integrated part of these Bond Terms, in each case as amended and/or supplemented from time to time.

“Bond Trustee” means the company designated as such in the preamble to these Bond Terms, or any successor, acting for and on behalf of the Bondholders in accordance with these Bond Terms.

“Bond Trustee Fee Agreement” means the agreement entered into between the Issuer and the Bond Trustee relating, among other things, to the fees to be paid by the Issuer to the Bond Trustee for the services provided by the Bond Trustee relating to the Bonds.

“Bondholder” means a person who is registered in the CSD as directly registered owner or nominee holder of a Bond, subject however to Clause 3.3 (*Bondholders’ rights*).

“Bondholders’ Meeting” means a meeting of Bondholders as set out in Clause 15 (*Bondholders’ Decisions*).

“Bonds” means (i) the debt instruments issued by the Issuer pursuant to these Bond Terms, including any Initial Temporary Bonds and Additional Bonds, and (ii) any overdue and unpaid principal which has been issued under a separate ISIN in accordance with the regulations of the CSD from time to time.

“Bridge Financing” means any debt financing of an acquisition of assets or entities by any Group Company, provided that (a) such financing shall only be secured by guarantees from and/or security over (as applicable) the relevant Target Collateral, and (b) such financing shall not remain outstanding for more than six (6) months following completion of the acquisition.

“Business Day” means a day on which both the relevant CSD settlement system and the relevant settlement system for the Bond Currency are open.

“Business Day Convention” means that if the last day of any Interest Period originally falls on a day that is not a Business Day, no adjustment will be made to the Interest Period.

“Call Option” has the meaning ascribed to such term in Clause 10.2 (*Voluntary early redemption – Call Option*).

“Call Option Repayment Date” means the settlement date for the Call Option determined by the Issuer pursuant to Clause 10.2 (*Voluntary early redemption – Call Option*), paragraph (d) of Clause 10.3 (*Mandatory repurchase due to a Put Option Event*) or a date agreed upon between the Bond Trustee and the Issuer in connection with such redemption of Bonds.

“Change of Control Event” means:

- (a) prior to an IPO, any event where the Parent Entities (defined as Parent Entity under that definition), either collectively or individually cease to (i) control more than fifty (50.00) per cent. of the voting rights of the Issuer and (ii) maintain board control through majority representation; and
- (b) following an IPO, (i) any person or group of persons, other than the Parent Entities, acting in concert owns or controls (directly or indirectly), beneficially or of record, more than fifty (50.00) per cent. of the shares or the voting rights in Listco; or (ii) Listco ceases to own all of the voting rights in the Issuer.

“Clean Up Disposal” means any Disposal of any asset or entity acquired by any Group Company following the Issue Date and for which a binding agreement for Disposal is entered into within six (6) months from the date of the acquisition.

“Closing Procedure” has the meaning ascribed to such term in Clause 6.1 (c) (*Conditions precedent for disbursement to the Issuer*).

“Code” means the US Internal Revenue Code of 1986 (26 U.S.C. §§ 1 et seq.).

“Compliance Certificate” means a statement substantially in the form as set out in Attachment 1 hereto.

“Consolidated Cash and Cash Equivalent Assets” means, at the date of calculation (on a consolidated basis for the Issuer and the Group), the aggregate amount of:

- (a) cash in hand or on deposit held by the Issuer and any Group Company with any bank or financial institution; and
- (b) cash equivalents of the Issuer and any Group Company (as such assets would be reported in the Financial Reports),

that, in each case, is unencumbered by any Security, other than:

- (i) arising pursuant to any netting, set-off, cash management, cash pooling or consolidation or combination of accounts in accordance with the Issuer and Group’s banking arrangements; and
- (ii) any cash deposited as Security for any Consolidated Total Borrowings.

“Consolidated Finance Costs” means, in relation to a Relevant Period, all finance costs (whether paid, payable or added to principal) incurred by the Group during that period calculated on a consolidated basis, however excluding any PIK interest under any Subordinated Loan.

“Consolidated Net Total Borrowings” means Consolidated Total Borrowings *less* the amount of Consolidated Cash and Cash Equivalent Assets.

“Consolidated Total Assets” means the Group’s total assets less the value of all intangible assets (including, without limitation, goodwill) as shown in the Group’s latest Financial Reports from time to time.

“Consolidated Total Borrowings” means, in respect of the Group, at any time, the aggregate of the following liabilities calculated at the nominal, principal or other amount at which the liabilities would be carried in a consolidated balance sheet of the Issuer drawn up at that time under the Accounting Standard (and without double counting):

- (a) any moneys borrowed;
- (b) any bond, note, debenture, loan stock or other similar instrument but only to the extent that this constitutes Financial Indebtedness;

- (c) any Finance Lease;
- (d) any moneys owing in connection with the sale or discounting of receivables (except to the extent on non-recourse terms); and
- (e) any indebtedness of any person of a type referred to in the above paragraphs which is the subject of a guarantee, indemnity or similar assurance against financial loss given by a Group Company,

provided that any amount drawn under any Subordinated Loan shall not constitute or be included in the calculation of Consolidated Total Borrowings.

“Consolidated Total Equity” means, in respect of the Group and at any time, the sum of:

- (a) the aggregate amount of the Group’s equity; and
- (b) the aggregate outstanding principal amount of Subordinated Loans.

“CSD” means the central securities depository in which the Bonds are registered, being Verdipapirsentralen ASA (VPS).

“Decisive Influence” means a person having, as a result of an agreement or through the ownership of shares or interests in another person (directly or indirectly):

- (a) a majority of the voting rights in that other person; or
- (b) a right to elect or remove a majority of the members of the board of directors of that other person.

“Default Notice” has the meaning ascribed to such term in Clause 14.2 (*Acceleration of the Bonds*).

“Default Repayment Date” means the settlement date set out by the Bond Trustee in a Default Notice requesting early redemption of the Bonds.

“Disposal” means a sale, lease, transfer or other disposal by a Group Company of any asset, undertaking or business (whether by a voluntary or involuntary single transaction or series of transactions).

“Distribution” means:

- (a) any declaration, making or payment of dividend or other distribution (or interest on any unpaid dividend or other distribution) (whether in cash or in kind) on or in respect of its share capital (or any class of its share capital) or making any kind of value transfer (including repayment or servicing of Subordinated Loans);
- (b) repayment or distribution of any of its share premium reserve; or
- (c) redemption, repurchase, defeasance, retirement or repayment of any of its share capital.

“**EBITDA**” means, in respect of any Relevant Period, the operating profit of the Group (on a consolidated basis) from ordinary activities (i.e. excluding the results from discontinued operations):

- (a) before deducting (i) any amount of tax on profits, gains or income whether paid, payable or capitalised by any Group Company (calculated on a consolidated basis) in respect of that Relevant Period, or (ii) any amounts distributed in respect thereof;
- (b) before deducting any finance charges or amounts accrued in the nature of non-cash interest accrued or payable in respect of any Subordinated Loans;
- (c) before adding any interest receivable by or accruing in favour of any Group Company;
- (d) after adding back any amount attributable to the amortisation, depreciation or impairment of assets (including, without limitation, amortisation or impairment of any goodwill or intangible assets);
- (e) before deducting any interest, commission, fees, discounts, prepayment fees, premiums or charges and other finance payments whether paid, payable or capitalised by any Group Company (calculated on a consolidated basis) in respect of that Relevant Period;
- (f) before taking into account any items of an exceptional or non-recurring nature provided that items excluded in accordance with this paragraph (f) have not already been adjusted on a “pro forma basis” and will in aggregate not exceed, for any Relevant Period thereafter, ten (10) per cent. of EBITDA for the applicable Relevant Period (prior to giving effect to such exclusions);
- (g) before taking into account any unrealised gains or losses on any derivative instrument (other than any derivative which is accounted for on a hedge accounting basis);
- (h) after adding back (or deducting), as the case may be, the amount of any loss or gain against book value arising on a Disposal of any assets (other than in the ordinary course of trading), any loss or gain arising from an upward or downward revaluation of any asset, including without limitation impairment charges, asset write-offs, inventory revaluations, obsolescence charges, amortization of intangibles and other fair value adjustments;
- (i) after deducting the amount of any profit (or adding back the amount of any loss) of any Group Company which is attributable to minority interests;
- (j) before taking into account any cost of or income from retirement benefit plans other than any cost of benefit entitlements earned in the relevant accounting period (i.e. none of any cost recognized in respect of any prior period); and
- (k) plus or minus the Group’s share of the profit or losses (after finance costs and tax) of non-members of the Group (i.e. which are not consolidated in when preparing the relevant financial statements);

in each case, to the extent added, deducted or taken into account, as the case may be, for the purposes of determining operating profits of the Group before taxation.

“Equity Clawback” has the meaning ascribed to such term in paragraph (a) of Clause 10.6 (*Early redemption – Equity Clawback*).

“Equity Clawback Repayment Date” has the meaning ascribed to such term in paragraph (b) of Clause 10.6 (*Early redemption – Equity Clawback*).

“Equity Offering” means an equity offering in connection with an IPO.

“Escrow Account” means an account in the name of the Issuer (in a Norwegian bank acceptable to the Bond Trustee or with NT Services AS), blocked and pledged on first priority as security for the Issuer’s obligations under the Finance Documents in favour of the Security Agent (on behalf of the Bondholders).

“Escrow Account Pledge” means the first priority pledge over the Escrow Account, where the bank operating the account has waived any set-off rights.

“Event of Default” means any of the events or circumstances specified in Clause 14.1 (*Events of Default*).

“Exchange” means:

- (a) Oslo Børs (the Oslo Stock Exchange);
- (b) any regulated market as such term is understood in accordance with the Markets in Financial Instruments Directive 2014/65/EU (MiFID II) and Regulation (EU) No. 600/2014 on markets in financial instruments (MiFIR); or
- (c) the Nasdaq Stock Market (including the Nasdaq Global Select Market, the Nasdaq Global Market and the Nasdaq Capital Market), the New York Stock Exchange or any other national securities exchange under the U.S. Securities Exchange Act of 1934, as amended.

“Existing Bank Debt” means debt outstanding under the facilities agreement entered into between the Issuer as borrower and Nordea Bank Abp, filial i Norge as agent dated 28 September 2021 (as amended, novated, supplemented, extended or restated from time to time).

“Existing Bond Issue” means the Issuer’s senior secured callable USD 220,000,000 bond issue with ISIN NO 0012428996 in the aggregate principal amount of USD 150,000,000 pursuant to the bond terms dated 9 February 2022 entered into between the Issuer as issuer and Nordic Trustee AS as bond trustee for the Existing Bondholders.

“Existing Bondholders” means the persons who are registered in the CSD as directly registered owner or nominee holder of the Existing Bonds.

“Existing Bonds” means the bonds issued under the Existing Bond Issue.

“Finance Documents” means the Amendment and Restatement Agreement, these Bond Terms, the Bond Trustee Fee Agreement, the Intercreditor Agreement, any Transaction Security Document and any other document designated by the Issuer and the Bond Trustee as a Finance Document.

“Finance Lease” means any lease or hire purchase contract, a liability under which would, in accordance with the Accounting Standard as in force at the Issue Date, be treated as a balance sheet liability (other than a lease or hire purchase contract which would, in accordance with Accounting Standard in force prior to 1 January 2019 (IAS 17), have been treated as an operating lease).

“Financial Indebtedness” means any indebtedness for or in respect of:

- (a) moneys borrowed;
- (b) any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent;
- (c) any amount raised pursuant to any issue of bonds, notes, debentures, loan stock or any similar instrument (other than any performance, bid, advance payment or similar bond issued by a Group Company and which is not issued in respect of other Financial Indebtedness), including the Bonds;
- (d) any redeemable preference share which is redeemable prior to the Maturity Date;
- (e) the amount of any liability in respect of Finance Leases;
- (f) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);
- (g) the acquisition cost of any asset or service to the extent payable after its acquisition or possession by the party liable where the advance or deferred payment:
 - (i) is arranged primarily as a method of raising finance or financing the acquisition of that asset or the construction of that asset; and
 - (ii) involves a period of more than six (6) months before or after the date of acquisition or supply;
- (h) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value (or, if any actual amount is due as a result of the termination or close-out of that derivative transaction, that amount) shall be taken into account);
- (i) any amount raised under any other transaction (including any forward sale or purchase agreement) of a type not referred to in any other paragraph of this definition having the commercial effect of a borrowing and which is treated as a borrowing in accordance with the Accounting Standard;
- (j) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution, provided that where the underlying instrument is a performance, bid, advance payment or similar bond it will only constitute Financial Indebtedness for the purpose of the cross-default provision; and

- (k) the amount of any liability in respect of any guarantee, indemnity or similar assurance against financial loss of any person in respect of any item referred to in paragraphs (a) to (j) above.

“Financial Reports” means the Original Financial Statements, the Annual Financial Statements and the Interim Accounts.

“Financial Support” means any loans, guarantees, Security or other financial assistance (whether actual or contingent).

“First Call Date” means the Interest Payment Date falling in May 2025.

“First Call Price” means the price set out in paragraph (a)(ii) of Clause 10.2 (*Voluntary early redemption – Call Option*).

“GAAP” means generally accepted accounting practices and principles in the country in which the Issuer is incorporated including, and if used by the Issuer, IFRS.

“Gearing Ratio” means the ratio of Consolidated Net Total Borrowings to Consolidated Total Equity.

“Group” means the Issuer and its Subsidiaries from time to time.

“Group Company” means any person which is a member of the Group.

“Guarantee” means the unconditional Norwegian law guarantee and indemnity (Norwegian: *“selvskyldnerkausjon”*) issued by each Guarantor.

“Guarantor” means the Original Guarantors and each Material Subsidiary from time to time.

“Highest Owner Tax Amount” means, with respect to all direct or indirect owners of the Issuer and the payment of any Tax Distribution, an amount with respect to the direct or indirect owner receiving the greatest proportionate allocation of taxable income attributable to its direct or indirect ownership of the Issuer and/or any of its Subsidiaries in the applicable tax period (or portion thereof) to which such payment relates (as a result of the application of Section 704(c) of the Code or otherwise) (such owner, the **“Reference Owner”**), calculated by multiplying (x) the aggregate taxable income allocated to such owner (excluding the tax consequences resulting from any adjustment under Sections 743(b) and 734(b) of the Code in such applicable taxable period (or portion thereof)), by (y) the Hypothetical Tax Rate.

“Hypothetical Tax Rate” means the highest combined marginal U.S. federal, state and local tax rate for a corporation that conducts no activities other than the activities of the Issuer and its Subsidiaries, applicable to income and gain attributable to the Issuer and its Subsidiaries, taking into account (where relevant) the holding period of assets held by the Issuer and its Subsidiaries, the taxable year in which such income or gain is recognised by the Issuer and its Subsidiaries and the character of such income or gain, at the time for U.S. federal income tax purposes.

“IFRS” means international accounting standards within the meaning of the IAS Regulation 1606/2002 to the extent applicable to the relevant financial statements.

“**IHCo**” means a private limited liability company to be incorporated in the Netherlands as a wholly owned Subsidiary of the Issuer, and which will act as an intermediate holding company of the Group.

“**IHCo Deadline**” means the date falling forty (40) Business Days of the Issue Date.

“**IHCo Reorganisation**” has the meaning ascribed to such term in Clause 6.3 (*Conditions subsequent*).

“**Incurrence Test**” has the meaning ascribed to such term in Clause 13.19 (*Incurrence Test*).

“**Initial Bond Issue**” means the amount to be issued on the Issue Date as set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

“**Initial Nominal Amount**” means the Nominal Amount of each Bond on the Issue Date as set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

“**Initial Temporary Bonds**” has the meaning ascribed to such term in Clause 2.2 (*Settlement of the Bonds (in kind) by delivery of Existing Bonds*).

“**Insolvent**” means that a person:

- (a) is unable or admits inability to pay its debts as they fall due;
- (b) suspends making payments on any of its debts generally; or
- (c) is otherwise considered insolvent or bankrupt within the meaning of the relevant bankruptcy legislation of the jurisdiction which can be regarded as its centre of main interest as such term is understood pursuant to Regulation (EU) 2015/848 on insolvency proceedings (as amended from time to time).

“**Intercreditor Agreement**” means the Norwegian law governed intercreditor agreement to be entered into between, among others, the Security Agent, the Bond Trustee (on behalf of the Bondholders) and the other Secured Parties (either individually or acting through an agent or representative as the case may be), the Issuer, the Obligors and certain Group Companies (as amended, novated, supplemented, extended or restated from time to time).

“**Interest Cover Ratio**” means, for each Relevant Period, the ratio of Adjusted EBITDA to Net Interest Expenses.

“**Interest Payment Date**” means the last day of each Interest Period, the first Interest Payment Date being 16 May 2024 and the last Interest Payment Date being the Maturity Date.

“**Interest Period**” means, subject to adjustment in accordance with the Business Day Convention, the period between 16 May and 16 November each year, provided however that an Interest Period shall not extend beyond the Maturity Date.

“**Interest Rate**” means 9.875 per cent. per annum.

“**Interim Accounts**” means the unaudited consolidated quarterly financial statements of the Issuer for the quarterly period ending on 31 March, 30 June, 30 September and 31 December

in each year, prepared in accordance with the Accounting Standard and to be certified by a director of the relevant company to fairly present its financial condition and operations as at the date as at which those Interim Accounts were drawn up.

“Intra-Group Debt” means any Financial Indebtedness owed by a Group Company to another Group Company (including, for the avoidance of doubt, any indebtedness arising as part of any cash pooling arrangement).

“IPO” means an initial public offering or other transactions leading to the shares in the Issuer or Listco (as a parent company of the Issuer) being listed on an Exchange.

“ISIN” means International Securities Identification Number.

“Issue Date” means 16 November 2023.

“Issuer” means the company designated as such in the preamble to these Bond Terms.

“Issuer’s Bonds” means any Bonds which are owned by the Issuer or any Affiliate of the Issuer.

“Leverage Ratio” means the ratio of Consolidated Net Total Borrowings to Adjusted EBITDA in respect of any Relevant Period.

“Liquidity” means the aggregate amount of the Consolidated Cash and Cash Equivalent Assets and any undrawn committed credit facilities of the Issuer and the Group which are available for immediate (subject to any customary drawdown period) drawing for general corporate purposes.

“Listco” means HMH Holding Inc., a Delaware corporation, or any of its successors.

“Listing Failure Event” means:

- (a) that the Bonds (save for any Temporary Bonds) have not been admitted to listing on an Exchange within nine (9) months following the Issue Date;
- (b) in the case of a successful admission to listing, that a period of six (6) months has elapsed since the Bonds ceased to be admitted to listing on an Exchange; or
- (c) that the Temporary Bonds have not been admitted to listing on the Exchange where the other Bonds are listed within six (6) months following the issue date for such Temporary Bonds.

“Local Law Arrangements” means:

- (a) in respect of any Group Company which is incorporated in Germany:
 - (i) any Security created by operation of the general terms and conditions (*Allgemeine Geschäftsbedingungen*) of banks operating in Germany with whom any Group Company which is incorporated in Germany maintains a banking relationship and not as a result of any default or omission by such Group Company;

- (ii) any Security and/or guarantee or indemnity created in connection with pension liabilities or partial retirement liabilities (*Altersteilzeitverpflichtungen*) pursuant to Section 8a of the German Partial Retirement Act (*Altersteilzeitgesetz*) or pursuant to Sections 7b and 7e of the Fourth Book of the German Social Code (*Sozialgesetzbuch IV*);
 - (iii) any Security required to be granted under mandatory law in favour of creditors as a consequence of a merger or a conversion permitted under these Bond Terms due to Sections 22, 204 UmwG; and
- (b) in respect of any Group Company which is incorporated in the Netherlands:
 - (i) any Security created pursuant to the general conditions of a bank operating in the Netherlands based on the general conditions drawn up by the Netherlands Bankers' Association (*Nederlandse Vereniging van Banken*) or any other general conditions used by, or agreement or arrangement with, a bank operating in the Netherlands to substantially the same effect;
 - (ii) any guarantee or indemnity arising under a declaration of joint and several liability by any Group Company (other than an Obligor) used for the purpose of section 2:403 BW (and any residual liability under such declaration arising pursuant to section 2:404(2) BW); and
 - (iii) any guarantee or indemnity arising as a result of two or more Group Companies (excluding any Obligor) being part of a fiscal unity (*fiscale eenheid*) for Dutch Tax purposes.

“Make Whole Amount” means an amount equal to the sum of the present value on the Repayment Date of:

- (a) the Nominal Amount of the redeemed Bonds at the First Call Price of the redeemed Bonds as if such payment originally should have taken place on the First Call Date; and
- (b) the remaining interest payments on the redeemed Bonds (less any accrued and unpaid interest on the redeemed Bonds as at the Repayment Date) to and including the First Call Date,

where the present value in respect of both paragraphs (a) and (b) shall be calculated by using a discount rate of 5.55 per cent. per annum.

“Manager” means Arctic Securities AS, DNB Markets, a part of DNB Bank ASA, Nordea Bank Abp, filial i Norge and Pareto Securities AS.

“Material Adverse Effect” means a material adverse effect on:

- (a) the Obligors' ability (taken as a whole) to perform and comply with its obligations under any Finance Document; or
- (b) the validity or enforceability of any Finance Document.

“Material Asset Sale” means:

- (a) a Disposal (other than pursuant to a Clean Up Disposal or the IHCo Reorganisation) by any Group Company to any third party which is not a Group Company for which the gross proceeds exceed USD 25,000,000; and
- (b) a Disposal pursuant to a Clean Up Disposal by any Group Company to any third party which is not a Group Company for which the gross proceeds exceed USD 50,000,000.

“Material Subsidiary” means any Group Company which is nominated as such by the Issuer in accordance with Clause 13.11 (*Nomination of Material Subsidiaries*).

“Maturity Date” means 16 November 2026, adjusted according to the Business Day Convention.

“Maximum Issue Amount” means the maximum amount that may be issued under these Bond Terms as set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

“Maximum RCF Commitment” has the meaning ascribed to such term in Clause 13.15 (*Revolving Credit Facility*).

“Net Interest Expenses” means the Consolidated Finance Costs less the amount of interest income received by or accrued in favour of the Group during a Relevant Period (and provided that income accrued in one period may not be accounted for a second time as income received when actually received).

“Net Proceeds” means the proceeds from the issuance of the Bonds (net of fees and legal cost of the Managers and, if required by the Bond Trustee, the Bond Trustee fee, and any other cost and expenses incurred in connection with the issuance of the Bonds).

“Nominal Amount” means the nominal value of each Bond at any time. The Nominal Amount may be amended pursuant to paragraph (j) of Clause 16.2 (*The duties and authority of the Bond Trustee*).

“Obligor” means the Issuer and any Guarantor.

“Original Financial Statements” means the Issuer’s pro forma consolidated balance sheet and income statement of the Group as of and for the Relevant Period ended 31 December 2022.

“Original Guarantors” means:

- (a) IHCo;
- (b) MHWirth AS;
- (c) Hydril USA Distribution LLC;
- (d) Hydril PCB Limited;
- (e) HMM Drilling Asia Pte. Ltd.;

- (f) MHWirth LLC;
- (g) MHWirth GmbH;
- (h) MHWirth FZE; and
- (i) MHWirth do Brasil Equipamentos Ltda.

“Outstanding Bonds” means any Bonds not redeemed or otherwise discharged.

“Overdue Amount” means any amount required to be paid by an Obligor under the Finance Documents but not made available to the Bondholders on the relevant Payment Date or otherwise not paid on its applicable due date.

“Parent Entity” means each of Baker Hughes Holdings LLC and Akastor ASA and each of their direct and indirect parent and subsidiary entities that directly or indirectly holds shares in the Issuer.

“Partial Payment” means a payment that is insufficient to discharge all amounts then due and payable under the Finance Documents.

“Paying Agent” means the legal entity appointed by the Issuer to act as its paying agent with respect to the Bonds in the CSD.

“Payment Date” means any Interest Payment Date or any Repayment Date.

“Permitted Distribution” means any Distribution:

- (a) in respect of any Tax Distribution;
- (b) following the earlier of (i) an IPO, and (ii) 31 December 2025, which satisfies the Incurrence Test and which with reference to the latest Annual Financial Statements, does not exceed fifty (50.00) per cent. of the net profit (after tax) in such Annual Financial Statements (any unused amount to be carried forward);
- (c) following an IPO, which utilises any net cash proceeds received by the Group from such IPO towards partial or full repayment of any Shareholder Loans; or
- (d) following an IPO, which is made to Listco for Listco to pay its corporate, administrative and other similar expenses.

“Permitted Financial Indebtedness” means any Financial Indebtedness:

- (a) created under or as contemplated by the Finance Documents;
- (b) subject to compliance with the Incurrence Test:
 - (i) Additional Bonds;
 - (ii) any Unsecured Financial Indebtedness issued by the Issuer;

- (iii) any Bridge Financing; and
- (iv) any Additional Secured Financing;
- (c) arising under or in connection with a Revolving Credit Facility;
- (d) existing, up until the first release of funds from the Escrow Account, under the Existing Bank Debt and Existing Bond Issue;
- (e) any Permitted Hedging Obligation;
- (f) incurred under (i) any guarantee facility and/or (ii) overdraft facility linked to any cash pooling or cash management arrangement, in each case entered into with banks and financial institutions in the ordinary course of business;
- (g) in the form of Subordinated Loans;
- (h) any Intra-Group Debt;
- (i) which constitutes Permitted Financial Support;
- (j) incurred by any Group Company in connection with banking and cash management services;
- (k) incurred under any Finance Leases, provided that such Finance Leases in aggregate for the Group do not exceed an amount equal to USD 10,000,000 (or the equivalent in other currencies) at any time;
- (l) of any person acquired by a Group Company after the Issue Date which is incurred under arrangements in existence at the date of acquisition, but not incurred or increased or having its maturity date extended in contemplation of, or since, that acquisition, and outstanding only for a period of six (6) months following the date of acquisition (unless permitted under any other item listed herein, on or after the date of the acquisition);
- (m) which is incurred in exchange for, or the net proceeds of which are used to renew, refund, refinance, replace, defease or discharge any Financial Indebtedness which was permitted to be incurred under paragraphs (a), and (c) to (l) above; or
- (n) not otherwise permitted by the preceding paragraphs which does not exceed USD 30,000,000 (or the equivalent in other currencies) in aggregate for the Group at any time.

“Permitted Financial Support” means Financial Support:

- (a) granted under or in connection with the Finance Documents;
- (b) subject to compliance with the Incurrence Test (where the principal amount of the guaranteed obligations shall be regarded as debt for the purpose of the Incurrence Test) and in the form of a guarantee only, granted by the Issuer on an unsecured basis in respect of Permitted Financial Indebtedness in accordance with paragraph (l) of the definition of “Permitted Financial Indebtedness”;

- (c) granted under or in connection with a Revolving Credit Facility provided that any Financial Support (in the form of guarantees) in relation to a Revolving Credit Facility is extended to and shared between the Secured Parties to the extent required by and pursuant to and in accordance with the terms of the Intercreditor Agreement;
- (d) granted by any Target Entity under or in connection with a Bridge Financing;
- (e) granted under or in connection with Additional Secured Financing provided that any Financial Support (in the form of guarantees) in relation to any Additional Secured Financing is extended to and shared between the Secured Parties to the extent required by and pursuant to and in accordance with the terms of the Intercreditor Agreement;
- (f) up until the first release of funds from the Escrow Account, granted under or in connection with the Existing Bank Debt and Existing Bond Issue;
- (g) any guarantee or indemnity in respect of any Permitted Hedging Obligation;
- (h) which constitutes Permitted Security;
- (i) granted in the ordinary course of business of any Group Company;
- (j) arising under any cash pooling or cash management arrangement, involving members of the Group;
- (k) a loan made by a Group Company to any employee or director of such Group Company provided that the amount of such loans in aggregate do not exceed USD 2,000,000 (or the equivalent in other currencies) at any time;
- (l) in the form of a guarantee or indemnity granted by a Group Company of an obligation of any other Group Company, if such obligation is otherwise permitted under these Bond Terms;
- (m) in the form of any Intra-Group Debt;
- (n) provided by an entity acquired by a Group Company after the Issue Date, provided that the Financial Support is revoked, discharged or otherwise removed no later than six (6) months following the date of acquisition (unless permitted under any other item listed herein, on or after the date of the acquisition);
- (o) in the form of Local Law Arrangements;
- (p) in the form of a loan, advance or other payment by the Issuer to or on behalf of Listco for Listco to pay its corporate, administrative and other similar expenses; or
- (q) not otherwise permitted by the preceding paragraphs, which does not exceed USD 30,000,000 (or the equivalent in other currencies) in aggregate for the Group at any time.

“Permitted Hedging Obligations” means any obligation of any Group Company under a derivative transaction entered into with one or more hedge counterparties for the purpose of:

- (a) hedging currency or interest rate fluctuations; or

- (b) hedging a Group Company against actual or projected real exposure arising in the ordinary course of trading,

however in each case not for speculative purposes.

“Permitted Security” means any Security:

- (a) created under the Finance Documents;
- (b) granted under or in connection with a Revolving Credit Facility, provided that the Security in relation to a Revolving Credit Facility is extended to and shared between the Secured Parties to the extent required by and pursuant to and in accordance with the terms of the Intercreditor Agreement;
- (c) granted under or in connection with a Bridge Financing, over Target Collateral;
- (d) granted under or in connection with Additional Secured Financing, provided that the Security in relation to any Additional Secured Financing is extended to and shared between the Secured Parties to the extent required by and pursuant to and in accordance with the terms of the Intercreditor Agreement;
- (e) up until the first release of funds from the Escrow Account, granted under or in connection with the Existing Bank Debt and Existing Bond Issue;
- (f) granted in respect of any Permitted Hedging Obligation;
- (g) by way of cash cover or deposits for any letter of credit or guarantee or any similar instrument issued on behalf of any other Group Company;
- (h) arising under any (i) retention of title, (ii) hire purchase or conditional sale arrangement, (iii) contractual arrangements with customers, suppliers and service providers, and (iv) similar arrangements, in the ordinary course of business and not arising as a result of a default or omission by any Group Company that is continuing for a period of more than sixty (60) calendar days;
- (i) over cash deposits (or any other assets) created to secure lease arrangements (including real property) and the repayment of advanced payments received for projects;
- (j) arising under any cash pooling, cash management arrangement, netting arrangements, set-off arrangements or other arrangements, in connection with the Group’s ordinary banking services;
- (k) incurred as a result of any Group Company acquiring another entity and which is due to such entity having provided Security, provided that the debt secured with such Security is Permitted Financial Indebtedness in accordance with paragraph (l) of the definition of “Permitted Financial Indebtedness” and that such Security is discharged upon the refinancing of that debt (where such refinancing is required) unless permitted under any other item listed herein, on or after the date of the acquisition;

- (l) over the leased assets in respect of Finance Leases which constitute Permitted Financial Indebtedness;
- (m) in the form of Local Law Arrangements;
- (n) granted or arising by operation of law or in the ordinary course of business of a Group Company, provided that if such Security has arisen as a result of any default or omission by any Group Company it shall not subsist for a period of more than sixty (60) days unless being contested in good faith by appropriate proceedings;
- (o) created in the form of a pledge over one or more escrow accounts to which the proceeds incurred in relation to a refinancing of the Bonds are intended to be received and are subsequently received; or
- (p) not otherwise permitted by the preceding paragraphs, the amount of which does not exceed USD 15,000,000 (or the equivalent in other currencies) in aggregate for the Group at any time.

“Post-Disbursement Security” means:

- (a) a first priority pledge over all the shares in any Guarantor (other than MHWirth FZE) at any time; and
- (b) the Guarantees from each Guarantor (other than as provided as Pre-Disbursement Security), which shall constitute senior obligations of the Guarantors.

“Pre-Disbursement Security” means:

- (a) a first priority pledge over all the shares in MHWirth AS, Hydril USA Distribution LLC and MHWirth LLC; and
- (b) the Guarantees from MHWirth AS, Hydril USA Distribution LLC and MHWirth LLC, which shall constitute senior obligations of those entities.

“Put Option” has the meaning ascribed to such term in Clause 10.3 (*Mandatory repurchase due to a Put Option Event*).

“Put Option Event” means a Change of Control Event or a Share De-Listing Event.

“Put Option Repayment Date” means the settlement date for the Put Option pursuant to Clause 10.3 (*Mandatory repurchase due to a Put Option Event*).

“Quarter Date” means, in each financial year, 31 March, 30 June, 30 September and 31 December.

“RCF Creditors” means any finance parties under the RCF Finance Documents (including lease providers).

“RCF Finance Documents” means the agreement(s) for the Revolving Credit Facility and any ancillary facilities or bilateral guarantee facilities, letters of credit or other document entered into in relation thereto.

“**RCF Test**” has the meaning ascribed to such term in Clause 13.15 (*Revolving Credit Facility*).

“**Relevant Jurisdiction**” means the country in which the Bonds are issued, being Norway.

“**Relevant Period**” means each period of twelve (12) consecutive calendar months ending on the last day of the preceding financial quarter.

“**Relevant Record Date**” means the date on which a Bondholder’s ownership of Bonds shall be recorded in the CSD as follows:

- (a) in relation to payments pursuant to these Bond Terms, the date designated as the Relevant Record Date in accordance with the rules of the CSD from time to time; or
- (b) for the purpose of casting a vote with regard to Clause 15 (*Bondholders’ Decisions*), the date falling on the immediate preceding Business Day to the date of that Bondholders’ decision being made, or another date as accepted by the Bond Trustee.

“**Repayment Date**” means any Call Option Repayment Date, the Default Repayment Date, any Equity Clawback Repayment Date, any Put Option Repayment Date, any Asset Sale Put Option Repayment Date, the Tax Event Repayment Date or the Maturity Date.

“**Revolving Credit Facility**” means one or more revolving credit facilities entered into by the Issuer, including any refinancing thereof.

“**Secured Hedging Obligations**” means any Permitted Hedging Obligation of a Group Company secured by the Transaction Security (except for the Escrow Account Pledge and the Bond Escrow Account Pledge) and otherwise as set out under the definition of “Permitted Security”.

“**Secured Obligations**” has the meaning ascribed to such term in the Intercreditor Agreement.

“**Secured Parties**” has the meaning ascribed to such term in the Intercreditor Agreement.

“**Securities Trading Act**” means the Securities Trading Act of 2007 no. 75 of the Relevant Jurisdiction.

“**Security**” means a mortgage, charge, pledge, lien, security assignment or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

“**Security Agent**” means the Bond Trustee or any successor Security Agent, acting for and on behalf of the Secured Parties in accordance with any Security Agent Agreement or any other Finance Document.

“**Security Agent Agreement**” means any agreement other than these Bond Terms whereby the Security Agent is appointed to act as such in the interest of the Bond Trustee (on behalf of itself and the Bondholders).

“**Security Provider**” means any entity other than an Obligor which has granted, or will grant, any Transaction Security.

“Share De-Listing Event” means, after the completion of an IPO, if the shares of the Issuer or Listco cease to be listed on an Exchange.

“Shareholder Loans” means any shareholder loans provided to the Issuer by either or both of its Parent Entities.

“Subordinated Loans” means unsecured debt financing provided to the Issuer including Shareholder Loans with terms (including aggregate amount) subject to the provisions set out in the Intercreditor Agreement or separate subordination statement on the basis that:

- (a) such loan is fully subordinated to the Secured Obligations; and
- (b) any repayment of, or payment of interest under, any such loan in cash is subject to all present and future obligations and liabilities under the Secured Obligations having been discharged in full (unless as otherwise expressly permitted by these Bond Terms), always subject to delivery to the Bond Trustee of a fully executed subordination statement (unless accession is made to the Intercreditor Agreement).

“Subsidiary” means a person over which another person has Decisive Influence.

“Summons” means the call for a Bondholders’ Meeting or a Written Resolution as the case may be.

“Tap Issue” has the meaning ascribed to such term in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

“Tap Issue Addendum” has the meaning ascribed to such term in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

“Target Asset” means any asset acquired by a Group Company where the acquisition is financed, in whole or in part, with a Bridge Financing.

“Target Collateral” means any (a) Target Entity and any asset of or claim against such entity, and (b) Target Asset.

“Target Entity” means any entity or entities acquired by a Group Company after the Issue Date and financed, in whole or in part, with a Bridge Financing.

“Tax Amount” means the Highest Owner Tax Amount divided by such Reference Owner’s proportionate direct or indirect economic ownership interest in the Issuer.

“Tax Distribution” means any Distribution in respect of any taxable period for which the Issuer is a disregarded entity or a partnership for U.S. federal income tax purposes (except in the case in which the Issuer is wholly-owned (directly or indirectly) by a corporation for U.S. federal income tax purposes) and Distributions to any direct or indirect owners of the Issuer in an amount, with respect to each owner and each taxable period, not to exceed such owner’s proportionate share of the Tax Amount for such taxable period.

“Tax Event Repayment Date” means the date set out in a notice from the Issuer to the Bondholders pursuant to Clause 10.5 (*Early redemption option due to a tax event*).

“**Temporary Bonds**” has the meaning ascribed to such term in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

“**Total Assets**” means, in relation to a Group Company, its total assets less the aggregate of all receivables due from another Group Company and the value of all intangible assets (including, without limitation, goodwill), as shown in its latest annual audited or quarterly unaudited (as the case may be) unconsolidated financial statements from time to time.

“**Transaction Security**” means the Security created or expressed to be created in favour of the Security Agent (on behalf of the Secured Parties) pursuant to the Transaction Security Documents.

“**Transaction Security Documents**” means, collectively, the Escrow Account Pledge, the Bond Escrow Account Pledge and all of the documents which shall be executed or delivered pursuant to Clause 2.6 (*Transaction Security*) together with any other document entered into by any Obligor or Security Provider creating or expressed to create any Security over all or any part of its assets in respect of the Secured Obligations.

“**Unsecured Financial Indebtedness**” means unsecured capital market debt at the Issuer-level and maturing no earlier than six (6) months after the Maturity Date and with no instalments prior to such date.

“**Voting Bonds**” means the Outstanding Bonds less the Issuer’s Bonds.

“**Written Resolution**” means a written (or electronic) solution for a decision making among the Bondholders, as set out in Clause 15.5 (*Written Resolutions*).

1.2 Construction

In these Bond Terms, unless the context otherwise requires:

- (a) headings are for ease of reference only;
- (b) words denoting the singular number will include the plural and vice versa;
- (c) references to Clauses are references to the Clauses of these Bond Terms;
- (d) references to a time are references to Central European Time unless otherwise stated;
- (e) references to a provision of “**law**” are a reference to that provision as amended or re-enacted, and to any regulations made by the appropriate authority pursuant to such law;
- (f) references to a “**regulation**” includes any regulation, rule, official directive, request or guideline by any official body;
- (g) references to a “**person**” means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organisation, government, or any agency or political subdivision thereof or any other entity, whether or not having a separate legal personality;

- (h) references to Bonds being “**redeemed**” means that such Bonds are cancelled and discharged in the CSD in a corresponding amount, and that any amounts so redeemed may not be subsequently re-issued under these Bond Terms;
- (i) references to Bonds being “**purchased**” or “**repurchased**” by the Issuer means that such Bonds may be dealt with by the Issuer as set out in Clause 11.1 (*Issuer’s purchase of Bonds*);
- (j) references to persons “**acting in concert**” shall be interpreted pursuant to the relevant provisions of the Securities Trading Act;
- (k) an Event of Default is “**continuing**” if it has not been remedied or waived; and
- (l) a reference to “**the date of these Bond Terms**” is a reference to 15 November 2023.

2. THE BONDS

2.1 Amount, denomination and ISIN of the Bonds

- (a) The Issuer has resolved to issue a series of Bonds up to USD 275,000,000 (the “**Maximum Issue Amount**”). The Bonds may be issued on different issue dates and the Initial Bond Issue will be in the amount of USD 200,000,000. The Issuer may, provided that the conditions set out in Clause 6.4 (*Tap Issues*) are met, at one or more occasions issue Additional Bonds (each a “**Tap Issue**”) until the Nominal Amount of all Additional Bonds equals in aggregate the Maximum Issue Amount less the Initial Bond Issue. Each Tap Issue will be subject to identical terms as the Bonds issued pursuant to the Initial Bond Issue in all respects as set out in these Bond Terms, except that Additional Bonds may be issued at a different price than for the Initial Bond Issue and which may be below or above the Nominal Amount. The Bond Trustee shall prepare an addendum to these Bond Terms evidencing the terms of each Tap Issue (a “**Tap Issue Addendum**”).

If the Bonds are listed on an Exchange and there is a requirement for a new prospectus in order for the Additional Bonds to be listed together with the Bonds, the Additional Bonds may be issued under a separate ISIN (such Bonds referred to as the “**Temporary Bonds**”). Upon the approval of the prospectus, the Issuer shall (i) notify the Bond Trustee, the Exchange and the Paying Agent and (ii) ensure that the Temporary Bonds are converted into the ISIN for the Bonds.

- (b) The Bonds are denominated in US Dollars (USD), being the legal currency of the United States of America.
- (c) The Initial Nominal Amount of each Bond is USD 1.
- (d) The ISIN of the Bonds is set out on the front page. These Bond Terms apply with identical terms and conditions to (i) all Bonds issued under this ISIN, (ii) any Temporary Bonds and (iii) any Overdue Amounts issued under one or more separate ISIN in accordance with the regulations of the CSD from time to time.
- (e) Holders of Overdue Amounts related to interest claims will not have any other rights under these Bond Terms than their claim for payment of such interest claim which claim shall be subject to paragraph (b) of Clause 15.1 (*Authority of the Bondholders’ Meeting*).

2.2 Settlement of the Bonds (in kind) by delivery of Existing Bonds

- (a) The Bonds are settled:
 - (i) in cash; and/or
 - (ii) in kind by delivery of Existing Bonds,
- (b) Bonds issued under item (a) (i) above will be issued under a separate ISIN, which will be the surviving ISIN for the Bonds. Bonds issued under item (a) (ii) above will be issued with a temporary ISIN (the “**Initial Temporary Bonds**”). The ISIN for the Initial Temporary Bonds will be merged with the surviving ISIN in connection with disbursement of funds to the Issuer from the Escrow Account and release of the Existing Bonds (for discharge) from the Bond Escrow Account. The CSD and the Bond Trustee are authorised to carry out the aforesaid in the best practical way.

2.3 Tenor of the Bonds

The tenor of the Bonds is from and including the Issue Date to but excluding the Maturity Date.

2.4 Use of proceeds

- (a) The Issuer will use the Net Proceeds from the Initial Bond Issue as follows:
 - (i) first, towards repayment in full of both the Existing Bank Debt and the Existing Bond Issue; and
 - (ii) any remaining amount, for general corporate purposes.
- (b) The Issuer will use the Net Proceeds from the issuance of any Additional Bonds for general corporate purposes of the Group (if not otherwise stated).

2.5 Status of the Bonds

- (a) The Bonds and each other payment obligation under or in relation to the Finance Documents shall constitute senior secured unsubordinated obligations of the Issuer and each other Obligor. The Bonds and each other payment obligation under or in relation to the Finance Documents will rank pari passu between themselves and at least pari passu with all other obligations of the Issuer and each Obligor (save for such claims which are mandatorily preferred by bankruptcy, insolvency, liquidation or other similar laws of general application). All payment obligations under or in relation to the Finance Documents shall rank ahead of any subordinated capital.
- (b) The Bonds will be secured on a pari passu basis with the other Secured Parties in respect of the Transaction Security (other than the Escrow Account Pledge and the Bond Escrow Account Pledge), subject to the super senior status of the Revolving Credit Facility and (if applicable) the Secured Hedging Obligations, as further described in these Bond Terms and the Intercreditor Agreement. The RCF Creditors and Hedge Counterparties (as defined in the Intercreditor Agreement) will receive (i) the proceeds from any enforcement of the Transaction Security (other than the Escrow Account Pledge and the Bond Escrow Account Pledge) and certain distressed disposals and (ii) any payments following any other enforcement event prior to the Bondholders (but otherwise rank pari

passu in right of payment with the Bonds) in accordance with the waterfall provisions of the Intercreditor Agreement.

2.6 Transaction Security

- (a) As Security for the due and punctual fulfilment of the Secured Obligations, the Issuer shall procure that the following Transaction Security is granted in favour of the Security Agent on behalf of the Secured Parties with first priority within the times agreed in Clause 6 (*Conditions for Disbursement*), subject to the Agreed Security Principles:
 - (i) the Escrow Account Pledge in favour of the Bond Trustee (on behalf of the Bondholders);
 - (ii) the Bond Escrow Account Pledge in favour of the Bond Trustee (on behalf of the holders of Initial Temporary Bonds);
 - (iii) the Pre-Disbursement Security; and
 - (iv) the Post-Disbursement Security.
- (b) The Transaction Security Documents (other than the Escrow Account Pledge and the Bond Escrow Account Pledge) shall be granted in favour of the Security Agent on behalf of the Bondholders and the other Secured Parties and secure the Secured Obligations and (save for the Escrow Account which shall serve as Transaction Security for the Bondholders only and the Bond Escrow Account which shall serve as Transaction Security for the Bondholders holding Initial Temporary Bonds only) be made subject to the terms of the Intercreditor Agreement. The Bonds shall have Transaction Security over the same assets as those securing obligations under the Revolving Credit Facility, the Secured Hedging Obligations and any Additional Secured Financing, on a shared first priority, subject to the super senior status of the Revolving Credit Facility and the Secured Hedging Obligations.
- (c) The Transaction Security and the Intercreditor Agreement shall be entered into on such terms and conditions as the Security Agent and the Bond Trustee in their discretion deem appropriate in order to create the intended benefit for the Secured Parties under the relevant document, subject to the Agreed Security Principles.
- (d) Subject to the terms of the Intercreditor Agreement, the Bond Trustee and the Security Agent shall be irrevocably authorised to (i) release any Guarantees and Transaction Security over assets which are sold or otherwise disposed of (directly or indirectly) (A) in any merger, de-merger or disposal permitted in compliance with Clauses 13.6 (*Mergers and de-mergers*) or otherwise permitted under these Bond Terms and (B) following an enforcement and (ii) release any Guarantee or Transaction Security provided by a Guarantor that ceases to be a Material Subsidiary. The Security Agent may enter into closing/settlement and release agreements and arrangements with respect to any release of Transaction Security and Guarantees which are, in each case, in line with market practice or which is otherwise satisfactory to the Bond Trustee or the Security Agent (as the case may be).

3. THE BONDHOLDERS

3.1 Bond Terms binding on all Bondholders

- (a) By virtue of being registered as a Bondholder (directly or indirectly) with the CSD, the Bondholders are bound by these Bond Terms and any other Finance Document, without any further action required to be taken or formalities to be complied with by the Bond Trustee, the Bondholders, the Issuer or any other party.
- (b) The Bond Trustee is always acting with binding effect on behalf of all the Bondholders.

3.2 Limitation of rights of action

- (a) No Bondholder is entitled to take any enforcement action, instigate any insolvency procedures or take other legal action against the Issuer or any other party in relation to any of the liabilities of the Issuer or any other party under or in connection with the Finance Documents, other than through the Bond Trustee and in accordance with these Bond Terms, provided, however, that the Bondholders shall not be restricted from exercising any of their individual rights derived from these Bond Terms, including the right to exercise the Put Option.
- (b) Each Bondholder shall immediately upon request by the Bond Trustee provide the Bond Trustee with any such documents, including a written power of attorney (in form and substance satisfactory to the Bond Trustee), as the Bond Trustee deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. The Bond Trustee is under no obligation to represent a Bondholder which does not comply with such request.

3.3 Bondholders' rights

- (a) If a beneficial owner of a Bond not being registered as a Bondholder wishes to exercise any rights under the Finance Documents, it must obtain proof of ownership of the Bonds, acceptable to the Bond Trustee.
- (b) A Bondholder (whether registered as such or proven to the Bond Trustee's satisfaction to be the beneficial owner of the Bond as set out in paragraph (a) above) may issue one or more powers of attorney to third parties to represent it in relation to some or all of the Bonds held or beneficially owned by such Bondholder. The Bond Trustee shall only have to examine the face of a power of attorney or similar evidence of authorisation that has been provided to it pursuant to this Clause 3.3 and may assume that it is in full force and effect, unless otherwise is apparent from its face or the Bond Trustee has actual knowledge to the contrary.

4. ADMISSION TO LISTING

The Issuer shall ensure that the Bonds are listed on an Exchange within nine (9) months of the Issue Date and thereafter remain listed on an Exchange until the Bonds have been redeemed in full. The Issuer shall ensure that any Temporary Bonds are listed on the Exchange where the other Bonds are listed within six (6) months of the issue date for such Temporary Bonds.

5. REGISTRATION OF THE BONDS

5.1 Registration in the CSD

The Bonds shall be registered in dematerialised form in the CSD according to the relevant securities registration legislation and the requirements of the CSD.

5.2 Obligation to ensure correct registration

The Issuer will at all times ensure that the registration of the Bonds in the CSD is correct and shall immediately upon any amendment or variation of these Bond Terms give notice to the CSD of any such amendment or variation.

5.3 Country of issuance

The Bonds have not been issued under any other country's legislation than that of the Relevant Jurisdiction. Save for the registration of the Bonds in the CSD, the Issuer is under no obligation to register, or cause the registration of, the Bonds in any other registry or under any other legislation than that of the Relevant Jurisdiction.

6. CONDITIONS FOR DISBURSEMENT

6.1 Conditions precedent for disbursement to the Issuer

- (a) Payment of the Net Proceeds from the issuance of the Bonds to the Escrow Account shall be conditional on the Bond Trustee having received in due time (as determined by the Bond Trustee) prior to the Issue Date each of the following documents, in form and substance satisfactory to the Bond Trustee:
 - (i) these Bond Terms duly executed by all parties hereto;
 - (ii) copies of all necessary corporate resolutions of the Issuer required to issue the Bonds and execute the Finance Documents to which it is a party;
 - (iii) a copy of a power of attorney (unless included in the corporate resolutions) from the Issuer to relevant individuals for their execution of the Finance Documents to which it is a party;
 - (iv) copies of the Issuer's articles of association and of a full extract from the relevant company register in respect of the Issuer evidencing that the Issuer is validly existing;
 - (v) the Escrow Account Pledge and the Bond Escrow Account Pledge duly executed by all parties thereto and perfected in accordance with applicable law;
 - (vi) copies of the Original Financial Statements;
 - (vii) confirmation that the applicable prospectus requirements (ref. the EU prospectus regulation ((EU) 2017/1129)) concerning the issuance of the Bonds have been fulfilled;
 - (viii) confirmation that the Bonds are registered in the CSD (by obtaining an ISIN for the Bonds);

- (ix) copies of any written documentation used in marketing the Bonds or made public by the Issuer or any Manager in connection with the issuance of the Bonds;
 - (x) the Bond Trustee Fee Agreement duly executed by all parties thereto; and
 - (xi) legal opinions or other statements as may be required by the Bond Trustee (including in respect of corporate matters relating to the Issuer and the legality, validity and enforceability of these Bond Terms and the Finance Documents to be entered into pre-settlement (including the Escrow Account Pledge and the Bond Escrow Account Pledge)).
- (b) The Net Proceeds from the issuance of the Bonds (on the Escrow Account) and the Existing Bonds on the Bond Escrow Account will not be disbursed to the Issuer unless the Bond Trustee has received or is satisfied that it will receive in due time (as determined by the Bond Trustee) prior to such disbursement to the Issuer each of the following documents, in form and substance satisfactory to the Bond Trustee:
- (i) a duly executed release notice from the Issuer, as set out in Attachment 2;
 - (ii) unless delivered under paragraph (a) above, as pre-settlement conditions precedent or to be delivered as a condition subsequent pursuant to Clause 6.3 (*Conditions subsequent*) below:
 - (A) copies of all necessary corporate resolutions of each Obligor and each Security Provider required to provide the Transaction Security and execute the Finance Documents in respect of the Pre-Disbursement Security to which it is a party;
 - (B) a copy of a power of attorney (unless included in the relevant corporate resolutions) from each Obligor and each Security Provider to relevant individuals for their execution of the Finance Documents in respect of the Pre-Disbursement Security to which it is a party;
 - (C) copies of the articles of association and a full extract from the relevant company register in respect of each Obligor and Security Provider (to the extent such Obligor or Security Provider is granting Pre-Disbursement Security) evidencing that it is validly existing;
 - (iii) evidence that (A) the Existing Bank Debt and Existing Bond Issue will be repaid in full immediately following the first release of funds from the Escrow Account and (B) that any Security for the Existing Bank Debt and the Existing Bond Issue will be released, in each case, in accordance with the Closing Procedure;
 - (iv) a written confirmation from the Issuer confirming that no indebtedness, Security or guarantees exist which is not permitted by these Bond Terms;
 - (v) the Transaction Security Documents evidencing the Pre-Disbursement Security duly executed by all parties thereto and evidence of the establishment and perfection of the Transaction Security in accordance with the Closing Procedure;

- (vi) the Intercreditor Agreement duly executed by all parties thereto;
 - (vii) a list of the Group Companies that constitute Material Subsidiaries on the Issue Date, including reasonable calculations evidencing compliance with Clause 13.11 (*Nomination of Material Subsidiaries*);
 - (viii) confirmation of acceptance from any process agent;
 - (ix) all Finance Documents (unless delivered under paragraph (a) above, as pre-settlement conditions precedent or to be delivered as a condition subsequent pursuant to Clause 6.3 (*Conditions subsequent*) below) duly executed; and
 - (x) legal opinions or other statements as may be required by the Bond Trustee, including in respect of corporate matters relating to the Obligors or Security Provider entering into Finance Documents pre-disbursement and the legality, validity and enforceability of the Finance Documents (unless delivered under paragraph (a) as pre-settlement conditions precedent).
- (c) The Bond Trustee, acting in its sole discretion, may, regarding this Clause 6.1, waive the requirements for documentation or decide that delivery of certain documents shall occur subsequent to disbursement or settlement as the case may be and otherwise be made subject to a closing mechanism acceptable to the Bond Trustee and the Issuer (the “**Closing Procedure**”).

6.2 Disbursement of the proceeds

Disbursement of the proceeds from the issuance of the Bonds is conditional on the Bond Trustee’s confirmation to the Paying Agent that the conditions in Clause 6.1 (*Conditions precedent for disbursement to the Issuer*) have been either satisfied in the Bond Trustee’s discretion or waived by the Bond Trustee pursuant to paragraph (c) of Clause 6.1 (*Conditions precedent for disbursement to the Issuer*).

6.3 Conditions subsequent

- (a) The Issuer shall, no later than on the IHCo Deadline, procure that IHCo is established as a direct wholly owned Subsidiary of the Issuer and transfer all shares of each of the Issuer’s directly owned Subsidiaries to IHCo so that IHCo becomes a direct or indirect holding company of each Group Company (other than the Issuer) (the “**IHCo Reorganisation**”).
- (b) Unless delivered under Clause 6.1 (*Conditions precedent for disbursement to the Issuer*), the following documents and other evidence shall be delivered to the Bond Trustee, in form and substance satisfactory to it, no later than the date falling forty (40) Business Days after the Issue Date:
 - (i) copies of all necessary corporate resolutions of any relevant Obligor or Security Provider required to provide the Post-Disbursement Security and execute the Finance Documents to which it is a party;
 - (ii) copies of any relevant Obligor’s or Security Provider’s granting Post-Disbursement Security articles of association and of a full extract from the

relevant company register in respect of such Obligor or Security Provider evidencing that it is validly existing;

- (iii) a copy of a power of attorney (unless included in the corporate resolutions) from the relevant Obligor or Security Provider granting Post-Disbursement Security to relevant individuals for their execution of the Finance Documents to which it is a party;
 - (iv) all Post-Disbursement Security being granted and perfected;
 - (v) all Finance Documents (unless delivered pre-settlement or pre-disbursement) duly executed; and
 - (vi) legal opinions or other statements as may be required by the Bond Trustee (including in respect of corporate matters relating to the relevant Obligors or Security Providers and the legality, validity and enforceability of the Finance Documents to be entered into post-disbursement (including the Post-Disbursement Security)).
- (c) The Bond Trustee, acting in its sole discretion, may, regarding this Clause 6.3, waive the requirements for delivery of certain documentation or decide that delivery of certain documents shall be made subject to the Closing Procedure.

6.4 Tap Issues

The Issuer may issue Additional Bonds if:

- (a) a Tap Issue Addendum has been duly executed by all parties thereto;
- (b) copies of corporate resolutions required for the Tap Issue and any power of attorney or other authorisation required for execution of the Tap Issue Addendum and any other Finance Documents;
- (c) the representations and warranties contained in Clause 7 (*Representations and Warranties*) of these Bond Terms are true and correct in all material respects and repeated by the Issuer as at the date of issuance of such Additional Bonds;
- (d) the Issuer meets the Incurrence Test tested pro forma including the new Financial Indebtedness incurred as a result of issuing such Additional Bonds;
- (e) the Issuer has provided evidence of fulfilment of any conditions precedent set out in the marketing documentation for such Tap Issue; and
- (f) legal opinions or other statements as may be required by the Bond Trustee (including in respect of corporate matters relating to the Issuer and the legality, validity and enforceability of the Tap Issue addendum and any other Finance Documents (if applicable)) have been received by the Bond Trustee.

The Bond Trustee may (at its sole discretion and in each case) require that disbursement of the net proceeds shall be made to an escrow account (pledged and blocked) pending fulfilment of the above conditions precedent for the Tap Issue, and (if applicable) require that such Tap Issue

be subject to the return of the proceeds to the Tap Issue Bondholders upon non-completion of such conditions within a designated long stop date, and otherwise waive or postpone the delivery of certain conditions precedent.

7. REPRESENTATIONS AND WARRANTIES

The Issuer makes the representations and warranties set out in this Clause 7, in respect of itself and in respect of each Group Company to the Bond Trustee (on behalf of the Bondholders) at the following times and with reference to the facts and circumstances then existing:

- (a) on the date of these Bond Terms;
- (b) on the Issue Date;
- (c) on each date of disbursement of proceeds from the Escrow Account; and
- (d) on the date of issuance of any Additional Bonds.

7.1 Status

It is a limited liability company, duly incorporated and validly existing and registered under the laws of its jurisdiction of incorporation, and has the power to own its assets and carry on its business as it is being conducted.

7.2 Power and authority

It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, these Bond Terms and any other Finance Document to which it is a party and the transactions contemplated by those Finance Documents.

7.3 Valid, binding and enforceable obligations

Subject to any general principles of law limiting its obligations which are referred to in any legal opinion addressed and delivered to the Bond Trustee pursuant to Clause 6 (*Conditions for disbursement*), these Bond Terms and each other Finance Document to which it is a party constitutes (or will constitute, when executed by the respective parties thereto) its legal, valid and binding obligations, enforceable in accordance with their respective terms, and (save as provided for therein) no further registration, filing, payment of tax or fees or other formalities are necessary or desirable to render the said documents enforceable against it.

7.4 Non-conflict with other obligations

The entry into and performance by it of these Bond Terms and any other Finance Document to which it is a party and the transactions contemplated thereby do not and will not conflict with (i) any law or regulation or judicial or official order; (ii) its constitutional documents; or (iii) any agreement or instrument which is binding upon it or any of its assets.

7.5 No Event of Default

- (a) No Event of Default exists or is likely to result from the making of any disbursement of proceeds or the entry into, the performance of, or any transaction contemplated by, any Finance Document.

- (b) No other event or circumstance has occurred which constitutes (or with the expiry of any grace period, the giving of notice, the making of any determination or any combination of any of the foregoing, would constitute) a default or termination event (howsoever described) under any other agreement or instrument which is binding on it or any of its Subsidiaries or to which its (or any of its Subsidiaries') assets are subject which has or is likely to have a Material Adverse Effect.

7.6 Authorisations and consents

All authorisations, consents, approvals, resolutions, licences, exemptions, filings, notarisations or registrations required:

- (a) to enable it to enter into, exercise its rights and comply with its obligations under these Bond Terms or any other Finance Document to which it is a party; and
- (b) to carry on its business as presently conducted and as contemplated by these Bond Terms,

have been obtained or effected and are in full force and effect.

7.7 Litigation

No litigation, arbitration or administrative proceedings or investigations of or before any court, arbitral body or agency which, if adversely determined, is likely to have a Material Adverse Effect have (to the best of its knowledge and belief) been started or threatened against it or any of its Subsidiaries.

7.8 Financial Reports

Its most recent Financial Reports fairly and accurately represent the assets and liabilities and financial condition as at their respective dates, and have been prepared in accordance with the Accounting Standard, consistently applied.

7.9 No Material Adverse Effect

Since the date of the most recent Financial Reports, there has been no change in its business, assets or financial condition that is likely to have a Material Adverse Effect.

7.10 No misleading information

Any factual information provided by it to the Bondholders or the Bond Trustee for the purposes of the issuance of the Bonds was true and accurate in all material respects as at the date it was provided or as at the date (if any) at which it is stated.

7.11 No withholdings

The Issuer is not required to make any deduction or withholding from any payment which it may become obliged to make to the Bond Trustee or the Bondholders under the Finance Documents.

7.12 Pari passu ranking

Its payment obligations under these Bond Terms or any other Finance Document to which it is a party ranks as set out in Clause 2.5 (*Status of the Bonds*).

7.13 Security

No Security exists over any of the present assets of any Group Company in conflict with these Bond Terms.

8. PAYMENTS IN RESPECT OF THE BONDS

8.1 Covenant to pay

- (a) The Issuer will unconditionally make available to or to the order of the Bond Trustee and/or the Paying Agent all amounts due on each Payment Date pursuant to the terms of these Bond Terms at such times and to such accounts as specified by the Bond Trustee and/or the Paying Agent in advance of each Payment Date or when other payments are due and payable pursuant to these Bond Terms.
- (b) All payments to the Bondholders in relation to the Bonds shall be made to each Bondholder registered as such in the CSD on the Relevant Record Date, by, if no specific order is made by the Bond Trustee, crediting the relevant amount to the bank account nominated by such Bondholder in connection with its securities account in the CSD.
- (c) Payment constituting good discharge of the Issuer's payment obligations to the Bondholders under these Bond Terms will be deemed to have been made to each Bondholder once the amount has been credited to the bank holding the bank account nominated by the Bondholder in connection with its securities account in the CSD. If the paying bank and the receiving bank are the same, payment shall be deemed to have been made once the amount has been credited to the bank account nominated by the Bondholder in question.
- (d) If a Payment Date or a date for other payments to the Bondholders pursuant to the Finance Documents falls on a day on which either of the relevant CSD settlement system or the relevant currency settlement system for the Bonds are not open, the payment shall be made on the first following possible day on which both of the said systems are open, unless any provision to the contrary has been set out for such payment in the relevant Finance Document.

8.2 Default interest

- (a) Default interest will accrue on any Overdue Amount from and including the Payment Date on which it was first due to and excluding the date on which the payment is made at the Interest Rate plus 3 percentage points per annum.
- (b) Default interest accrued on any Overdue Amount pursuant to this Clause 8.2 will be added to the Overdue Amount on each Interest Payment Date until the Overdue Amount and default interest accrued thereon have been repaid in full.
- (c) Upon the occurrence of a Listing Failure Event and for as long as such Listing Failure Event is continuing, the interest on any principal amount outstanding under these Bond Terms will accrue at the Interest Rate plus 1 percentage point per annum. In the event the Listing Failure Event relates to Temporary Bonds, the Interest Rate will only be increased in respect of such Temporary Bonds.
- (d) If the Issuer has not completed the IHCo Reorganisation within the IHCo Deadline, the interest on any principal amount outstanding under these Bond Terms will accrue at the

Interest Rate plus 1 per cent. per annum, up until the IHCo Reorganisation has been completed.

8.3 Partial Payments

- (a) If the Paying Agent or the Bond Trustee receives a Partial Payment, such Partial Payment shall, in respect of the Issuer's debt under the Finance Documents be considered made for discharge of the debt of the Issuer in the following order of priority:
 - (i) firstly, towards any outstanding fees, liabilities and expenses of the Bond Trustee (and any Security Agent);
 - (ii) secondly, towards accrued interest due but unpaid; and
 - (iii) thirdly, towards any other outstanding amounts due but unpaid under the Finance Documents.
- (b) Notwithstanding paragraph (a) above, any Partial Payment which is distributed to the Bondholders, shall, after the above mentioned deduction of outstanding fees, liabilities and expenses, be applied (i) firstly towards any principal amount due but unpaid and (ii) secondly, towards accrued interest due but unpaid, in the following situations:
 - (i) if the Bond Trustee has served a Default Notice in accordance with Clause 14.2 (*Acceleration of the Bonds*); or
 - (ii) if a resolution according to Clause 15 (*Bondholders' Decisions*) has been made.

8.4 Taxation

- (a) Each Obligor is responsible for withholding any withholding tax imposed by applicable law on any payments to be made by it in relation to the Finance Documents.
- (b) The Obligors shall, if any tax is withheld in respect of the Bonds under the Finance Documents:
 - (i) gross up the amount of the payment due from it up to such amount which is necessary to ensure that the Bondholders or the Bond Trustee, as the case may be, receive a net amount which is (after making the required withholding) equal to the payment which would have been received if no withholding had been required; and
 - (ii) at the request of the Bond Trustee, deliver to the Bond Trustee evidence that the required tax deduction or withholding has been made.
- (c) Any public fees levied on the trade of Bonds in the secondary market shall be paid by the Bondholders, unless otherwise provided by law or regulation, and the Issuer shall not be responsible for reimbursing any such fees.
- (d) The Bond Trustee shall not have any responsibility to obtain information about the Bondholders relevant for the tax obligations pursuant to these Bond Terms.

8.5 Currency

- (a) All amounts payable under the Finance Documents shall be payable in the Bond Currency. If, however, the Bond Currency differs from the currency of the bank account connected to the Bondholder's account in the CSD, any cash settlement may be exchanged and credited to this bank account.
- (b) Any specific payment instructions, including foreign exchange bank account details, to be connected to the Bondholder's account in the CSD must be provided by the relevant Bondholder to the Paying Agent (either directly or through its account manager in the CSD) within five (5) Business Days prior to a Payment Date. Depending on any currency exchange settlement agreements between each Bondholder's bank and the Paying Agent, and opening hours of the receiving bank, cash settlement may be delayed, and payment shall be deemed to have been made once the cash settlement has taken place, provided, however, that no default interest or other penalty shall accrue for the account of the Issuer for such delay.

8.6 Set-off and counterclaims

No Obligor may apply or perform any counterclaims or set-off against any payment obligations pursuant to these Bond Terms or any other Finance Document.

9. INTEREST**9.1 Calculation of interest**

- (a) Each Outstanding Bond will accrue interest at the Interest Rate on the Nominal Amount for each Interest Period, commencing on and including the first date of the Interest Period, and ending on but excluding the last date of the Interest Period.
- (b) Any Additional Bond will accrue interest at the Interest Rate on the Nominal Amount commencing on the first date of the Interest Period in which the Additional Bonds are issued and thereafter in accordance with paragraph (a) above.
- (c) Interest shall be calculated on the basis of a 360-day year comprised of twelve months of 30 days each (30/360-days basis), unless:
 - (i) the last day in the relevant Interest Period is the 31st calendar day but the first day of that Interest Period is a day other than the 30th or the 31st day of a month, in which case the month that includes that last day shall not be shortened to a 30-day month; or
 - (ii) the last day of the relevant Interest Period is the last calendar day in February, in which case February shall not be lengthened to a 30-day month.

9.2 Payment of interest

Interest shall fall due on each Interest Payment Date for the corresponding preceding Interest Period and, with respect to accrued interest on the principal amount then due and payable, on each Repayment Date.

10. REDEMPTION AND REPURCHASE OF BONDS

10.1 Redemption of Bonds

The Outstanding Bonds will mature in full on the Maturity Date and shall be redeemed by the Issuer on the Maturity Date at a price equal to 100 per cent. of the Nominal Amount.

10.2 Voluntary early redemption – Call Option

- (a) The Issuer may redeem all or part of the Outstanding Bonds (the “**Call Option**”) on any Business Day from and including:
 - (i) the Issue Date to, but not including, the First Call Date at a price equal to the Make Whole Amount;
 - (ii) the First Call Date to, but not including, the Interest Payment Date in November 2025 at a price equal to 104.938 per cent. of the Nominal Amount for each redeemed Bond (the “**First Call Price**”);
 - (iii) the Interest Payment Date in November 2025 to, but not including, the Interest Payment Date in May 2026 at a price equal to 103.292 per cent. of the Nominal Amount for each redeemed Bond; and
 - (iv) the Interest Payment Date in May 2026 to, but not including, the Maturity Date at a price equal to 100.500 per cent. of the Nominal Amount for each redeemed Bond.
- (b) Any redemption of Bonds pursuant to paragraph (a) above shall be determined based upon the redemption prices applicable on the Call Option Repayment Date.
- (c) The Call Option may be exercised by the Issuer by written notice to the Bond Trustee at least ten (10) Business Days prior to the proposed Call Option Repayment Date. Such notice sent by the Issuer is irrevocable and shall specify the Call Option Repayment Date, but may, at the Issuer’s discretion, be subject to the satisfaction of certain conditions precedent, to be satisfied or waived no later than three (3) Business Days prior to the Call Option Repayment Date. If such conditions precedent have not been lifted by that date, the call notice shall be null and void. Unless the Make Whole Amount is set out in the written notice where the Issuer exercises the Call Option, the Issuer shall calculate the Make Whole Amount and provide such calculation by written notice to the Bond Trustee as soon as possible and at the latest within three (3) Business Days from the date of the notice.
- (d) Any Call Option exercised in part will be used for pro rata payment to the Bondholders in accordance with the applicable regulations of the CSD.

10.3 Mandatory repurchase due to a Put Option Event

- (a) Upon the occurrence of a Put Option Event, each Bondholder will have the right (the “**Put Option**”) to require that the Issuer purchases all or some of the Bonds held by that Bondholder at a price equal to 101 per cent. of the Nominal Amount.
- (b) The Put Option must be exercised within fifteen (15) Business Days after the Issuer has given notice to the Bond Trustee and the Bondholders that a Put Option Event has

occurred pursuant to Clause 12.3 (*Put Option Event*). Once notified, the Bondholders' right to exercise the Put Option is irrevocable.

- (c) Each Bondholder may exercise its Put Option by written notice to its account manager for the CSD, who will notify the Paying Agent of the exercise of the Put Option. The Put Option Repayment Date will be the fifth (5th) Business Day after the end of fifteen (15) Business Days exercise period referred to in paragraph (b) above. However, the settlement of the Put Option will be based on each Bondholders holding of Bonds at the Put Option Repayment Date.
- (d) If Bonds representing more than 90 per cent. of the Outstanding Bonds have been repurchased pursuant to this Clause 10.3, the Issuer is entitled to repurchase all the remaining Outstanding Bonds at the price stated in paragraph (a) above by notifying the remaining Bondholders of its intention to do so no later than ten (10) Business Days after the Put Option Repayment Date. Such notice sent by the Issuer is irrevocable and shall specify the Call Option Repayment Date.

10.4 Mandatory repurchase due to a Material Asset Sale

- (a) Upon the occurrence of a Material Asset Sale, each Bondholder will have a right ("**Asset Sale Put Option**") to require that the Issuer repurchases the relevant Bondholder's Bonds at a price of 100.00 per cent. of the Nominal Amount of the repurchased Bonds for an amount up to the Asset Sale Put Option Amount.
- (b) The Asset Sale Put Option must be exercised within fifteen (15) Business Days after the Issuer has given notice to the Bond Trustee and the Bondholders that a Material Asset Sale has occurred pursuant to Clause 12.4 (*Material Asset Sale*). Once notified, the Bondholders' right to exercise the Asset Sale Put Option is irrevocable.
- (c) Each Bondholder may exercise its Asset Sale Put Option by written notice to its account manager for the CSD, who will notify the Paying Agent of the exercise of the Asset Sale Put Option. The Asset Sale Put Option Repayment Date will be the fifth (5th) Business Day after the end of fifteen (15) Business Days exercise period referred to in paragraph (b) above. However, the settlement of the Asset Sale Put Option will be based on each Bondholders holding of Bonds at the Asset Sale Put Option Repayment Date.
- (d) Any redemption of Bonds pursuant to an Asset Sale Put Option shall be applied pro rata between the Bondholders.
- (e) For the avoidance of doubt, the Issuer will only be obligated to purchase Bonds pursuant to this Clause up to a maximum amount equal to the Asset Sale Put Option Amount irrespective of how many bondholders exercise the Asset Sale Put Option.

10.5 Early redemption option due to a tax event

If the Issuer is or will be required to gross up any withheld tax imposed by law from any payment in respect of the Bonds under the Finance Documents pursuant to Clause 8.4 (*Taxation*) as a result of a change in applicable law implemented after the date of these Bond Terms, the Issuer will have the right to redeem all, but not only some, of the Outstanding Bonds at a price equal to 100 per cent. of the Nominal Amount. The Issuer shall give written notice of such redemption to the Bond Trustee and the Bondholders at least twenty (20) Business

Days prior to the Tax Event Repayment Date, provided that no such notice shall be given earlier than forty (40) Business Days prior to the earliest date on which the Issuer would be obliged to withhold such tax were a payment in respect of the Bonds then due.

10.6 Early redemption – Equity Clawback

- (a) The Issuer may at any time from the Issue Date to, but excluding the First Call Date use the net cash proceeds received by the Group from an Equity Offering to redeem Bonds in an aggregate nominal amount not exceeding 35 per cent. of the Outstanding Bonds at a price equal to the First Call Price for each redeemed Bond (“**Equity Clawback**”).
- (b) The Equity Clawback may be exercised by the Issuer by written notice to the Bond Trustee at least ten (10) Business Days prior to the proposed repayment date (“**Equity Clawback Repayment Date**”).
- (c) Any redemption of Bonds pursuant to an Equity Clawback shall be applied pro rata between the Bondholders in accordance with the procedures of the CSD.

11. PURCHASE AND TRANSFER OF BONDS

11.1 Issuer’s purchase of Bonds

The Issuer and the Group Companies may purchase and hold Bonds and such Bonds may be retained, or sold in the Issuer’s sole discretion, including with respect to Bonds purchased pursuant to Clause 10.3 (*Mandatory repurchase due to a Put Option Event*) but not be discharged, except in connection with a full redemption of the Bonds.

11.2 Restrictions

- (a) Certain purchase or selling restrictions may apply to Bondholders under applicable local laws and regulations from time to time. Neither the Issuer nor the Bond Trustee shall be responsible for ensuring compliance with such laws and regulations and each Bondholder is responsible for ensuring compliance with the relevant laws and regulations at its own cost and expense.
- (b) A Bondholder who has purchased Bonds in breach of applicable restrictions may, notwithstanding such breach, benefit from the rights attached to the Bonds pursuant to these Bond Terms (including, but not limited to, voting rights), provided that the Issuer shall not incur any additional liability by complying with its obligations to such Bondholder.

12. INFORMATION UNDERTAKINGS

12.1 Financial Reports

- (a) The Issuer shall prepare Annual Financial Statements in the English language and make them available on its website (alternatively on another relevant information platform) as soon as they become available, and not later than four (4) months after the end of the financial year.
- (b) The Issuer shall prepare Interim Accounts in the English language and make them available on its website (alternatively on another relevant information platform) as soon as they become available, and not later than two (2) months the end of the relevant quarter.

12.2 Requirements as to Financial Reports

- (a) The Issuer shall supply to the Bond Trustee, in connection with the publication of its Financial Reports pursuant to Clause 12.1 (*Financial Reports*), a Compliance Certificate with a copy of the Financial Reports attached thereto. The Compliance Certificate shall be duly signed by the director or the chief financial officer (or an equivalent officer) of the Issuer, certifying inter alia that the Financial Reports fairly represent its financial condition as at the date of the relevant Financial Report and setting out (in reasonable detail) computations evidencing (i) compliance with Clause 13.16 (*Financial covenants*) as at such date and (ii) for any Compliance Certificate delivered in connection with the Annual Financial Statements, the obligation to nominate Material Subsidiaries in accordance with Clause 13.11 (*Nomination of Material Subsidiaries*) and the names of each Material Subsidiary so nominated.
- (b) In addition, the Issuer shall submit to the Bond Trustee a Compliance Certificate (in form and substance satisfactory to the Bond Trustee) signed by the chief executive officer or the chief financial officer of the Issuer in respect of each Incurrence Test to be made pursuant to the terms hereof, promptly upon the making of that Incurrence Test (which shall contain figures and calculations evidencing (in reasonable detail) compliance with the relevant Incurrence Test).
- (c) The Bond Trustee may make any such Compliance Certificates delivered pursuant to paragraph (a) and (b) above available to the Bondholders.
- (d) The Issuer shall procure that the Financial Reports delivered pursuant to Clause 12.1 (*Financial Reports*) are prepared using the Accounting Standard consistently applied.

12.3 Put Option Event

The Issuer shall promptly inform the Bond Trustee and the Bondholders in writing after becoming aware that a Put Option Event has occurred.

12.4 Material Asset Sale

The Issuer shall promptly inform the Bond Trustee in writing after becoming aware that a Material Asset Sale has occurred.

12.5 Listing Failure Event

The Issuer shall promptly inform the Bond Trustee in writing if a Listing Failure Event has occurred. However, no Event of Default shall occur if the Issuer fails (i) to list the Bonds in accordance with Clause 4 (*Admission to listing*) or (ii) to inform of such Listing Failure Event, and such failure shall result in the accrual of default interest in accordance with paragraph (c) of Clause 8.2 (*Default interest*) for as long as such Listing Failure Event is continuing.

12.6 IHCo Reorganisation

The Issuer shall promptly inform the Bond Trustee in writing if the IHCo Reorganisation is not completed within the IHCo Deadline. However, no Event of Default shall occur if the Issuer fails (i) to complete the IHCo Reorganisation in accordance with paragraph (a) of Clause 6.3 (*Conditions subsequent*) or (ii) to inform of the non-completion of the IHCo Reorganisation within the IHCo Deadline, and such failure shall result in the accrual of default interest in

accordance with paragraph (d) of Clause 8.2 (*Default interest*) up until the IHCo Reorganisation has been completed.

12.7 Information: Miscellaneous

The Issuer shall:

- (a) promptly inform the Bond Trustee in writing of any Event of Default or any event or circumstance which the Issuer understands or could reasonably be expected to understand may lead to an Event of Default and the steps, if any, being taken to remedy it;
- (b) at the request of the Bond Trustee, report the balance of the Issuer's Bonds (to the best of its knowledge, having made due and appropriate enquiries);
- (c) send the Bond Trustee copies of any statutory notifications of the Issuer, including but not limited to in connection with mergers, de-mergers and reduction of the Issuer's share capital or equity;
- (d) if the Bonds are listed on an Exchange, send a copy to the Bond Trustee of its notices to the Exchange;
- (e) if the Issuer and/or the Bonds are rated, inform the Bond Trustee of its and/or the rating of the Bonds, and any changes to such rating;
- (f) inform the Bond Trustee of changes in the registration of the Bonds in the CSD; and
- (g) within a reasonable time, provide such information about the Issuer's and the Group's business, assets and financial condition as the Bond Trustee may reasonably request.

13. GENERAL AND FINANCIAL UNDERTAKINGS

The Issuer undertakes to (and shall, where applicable, procure that the other Group Companies will) comply with the undertakings set forth in this Clause 13.

13.1 Pari passu ranking

The Issuer shall, and shall procure that each other Obligor will, ensure that its obligations under these Bond Terms and any other Finance Document shall at all times rank at least pari passu as set out in Clause 2.5 (*Status of the Bonds*).

13.2 Authorisations

The Issuer shall, and shall procure that each other Group Company will, in all material respects obtain, maintain and comply with the terms of any authorisation, approval, licence and consent required for the conduct of its business as carried out from time to time.

13.3 Compliance with laws

The Issuer shall, and shall procure that each other Group Company will, comply with all laws and regulations they may be subject to from time to time to the extent that failure to comply with such laws and regulations would have a Material Adverse Effect.

13.4 Continuation of business

The Issuer shall procure that no material change is made to the general nature of the business of the Group from that carried on by the Group at the Issue Date.

13.5 Corporate status

The Issuer shall not change its jurisdiction of incorporation.

13.6 Mergers and de-mergers

(a) The Issuer shall not, and shall procure that no other Group Company will, carry out::

- (i) any merger or other business combination or corporate reorganisation involving the consolidation of assets and obligations of the Issuer or any other Group Company with any other person other than with a Group Company; or
- (ii) any demerger or other corporate reorganisation having the same or equivalent effect as a demerger involving the Issuer and any Group Company;

if such merger, demerger, combination or reorganisation would have a Material Adverse Effect.

(b) Notwithstanding paragraph (a) above:

- (i) the Issuer shall always be the surviving entity in a merger involving the Issuer; and
- (ii) in the case of any merger involving an Obligor, the combined entity shall, subject to the Agreed Security Principles and to the extent it remains a Group Company post-merger pursuant to a merger which also constitutes a permitted disposal, provide the same guarantees and Transaction Security as set out under Clause 2.6 (*Transaction Security*).

13.7 Financial Indebtedness

The Issuer shall not, and shall procure that no other Group Company will incur or maintain any new Financial Indebtedness, other than Permitted Financial Indebtedness.

13.8 Negative pledge

The Issuer shall not, and shall procure that no other Group Company will, create or allow to subsist, retain, provide, prolong or renew any Security over any of its/their assets (whether present or future), other than any Permitted Security.

13.9 Dividend restrictions

The Issuer shall not make any distributions, other than any Permitted Distributions.

13.10 Arm's length transactions

The Issuer shall not, and shall ensure that no Group Company will, enter into any transaction with any Affiliate (other than a Group Company) except on arm's length basis.

13.11 Nomination of Material Subsidiaries

- (a) The Issuer shall in the Compliance Certificate to be delivered in connection with each of its Annual Financial Statements nominate as Material Subsidiaries:
 - (i) any Group Company in respect of which for at least two (2) consecutive financial quarters:
 - (A) its Total Assets equal or exceed 10 per cent. of Consolidated Total Assets;
 - (B) its revenues equal or exceed 10 per cent. of the revenues of the Group; or
 - (C) its Adjusted EBITDA equals or exceeds 10 per cent. of the Group's consolidated Adjusted EBITDA,

in each case, calculated on an unconsolidated basis and excluding any intra-Group items and investments in Subsidiaries; and
 - (ii) any other Group Company which has been designated as a Material Subsidiary by the Issuer.
- (b) Subject to the Agreed Security Principles, the Issuer shall procure that it together with the Material Subsidiaries (for this purpose, calculated for each such entity on an individual basis and not on a consolidated basis with its Subsidiaries) shall constitute at least 80 per cent. of the Consolidated Total Assets, revenues and EBITDA of the Group.
- (c) For the purpose of determining the Material Subsidiaries, Total Assets, Consolidated Total Assets, revenues and Adjusted EBITDA shall be calculated by reference to the most recent Financial Report (with any pro forma adjustments required for the calculation of the Adjusted EBITDA).
- (d) Subject to the Agreed Security Principles, the Issuer shall ensure that any new Material Subsidiary accedes as a Guarantor and that Transaction Security is granted in respect of such Material Subsidiary, in each case no later than forty (40) Business Days after its nomination pursuant to paragraph (a) of this Clause 13.11.
- (e) Subject to the Agreed Security Principles, the Issuer is entitled to (in addition to the obligations set out in paragraph (a) above) to nominate Material Subsidiaries one additional time per year on the basis of the latest Interim Accounts otherwise pursuant to paragraphs (a) to (d) above, which shall apply mutatis mutandis to such additional nomination of Material Subsidiaries.
- (f) The Issuer may re-designate any entity:
 - (i) which is no longer obligated to be a Material Subsidiary pursuant to the above criteria, however limited to once per financial year; or
 - (ii) being the subject of a planned Disposal, merger or demerger permitted under these Bond Terms, ten (10) Business Days prior to such Disposal, merger or demerger,

and in each case request the release of any Guarantee and Transaction Security provided by or in respect of such entity.

13.12 Insurances

The Issuer shall, and shall procure that each other Group Company will, insure its business and assets with financially sound and reputable insurance companies (which shall be deemed to include, for the avoidance of doubt, Aker Insurance AS and any Group Company which is an insurance company) to such an extent and against such risks as companies engaged in a similar business normally insure.

13.13 Financial Support restrictions

The Issuer shall not, and shall ensure that no other Group Company shall, grant or permit to subsist any Financial Support to or for the benefit of any person, other than Permitted Financial Support.

13.14 Maintenance of the Group

The Issuer shall at all times be the direct or indirect holder of all ownership interests in the Group Companies.

13.15 Revolving Credit Facility

- (a) The Issuer may enter into agreements for a Revolving Credit Facility up to, from time to time, the higher of an aggregate maximum commitment (the “**Maximum RCF Commitment**”) of:
 - (i) USD 50,000,000 (or its equivalent in any other currency); and
 - (ii) 50.00 per cent of the Adjusted EBITDA for the latest Relevant Period,
 (the “**RCF Test**”), in each case from one or more lenders.
- (b) The Revolving Credit Facility may (in addition to the Maximum RCF Commitment) include (either as part of a Revolving Credit Facility or as a separate facility) one or more guarantee facilities in the maximum total commitment of USD 75,000,000.
- (c) The Issuer (and any other borrower thereunder) may apply amounts borrowed by it under the Revolving Credit Facility towards general corporate and working capital purposes of the Group (including, for the avoidance of doubt, acquisitions).
- (d) The RCF Test shall be made on each Quarter Date and calculations of the same shall be included in each Compliance Certificate. To the extent the RCF Test is not met on two consecutive Quarter Dates, the Issuer shall reduce the Maximum RCF Commitment to ensure compliance with the RCF Test within twenty (20) Business Days from the date of the Compliance Certificate.
- (e) Any loans under the Revolving Credit Facility shall be subject to simultaneous clean down for two (2) consecutive Business Days once every twelve (12) months with no less than three (3) months elapsing between each clean down.

- (f) All amounts outstanding under the RCF Finance Documents shall be secured on a pari passu basis by the Transaction Security (other than the Escrow Account Pledge and the Bond Escrow Account Pledge) on the terms of the Intercreditor Agreement (pursuant to which it shall have super senior status together with any Secured Hedging Obligations with respect to any proceeds after an enforcement event).

13.16 Financial covenants

- (a) The Issuer shall, on a consolidated basis, comply with the following financial covenants:
 - (i) **Liquidity** not to be less than USD 30,000,000.
 - (ii) **Gearing Ratio** not to exceed 1.00:1.00.
 - (iii) **Interest Cover Ratio** not to be less than 2.50:1.00.
- (b) The Issuer undertakes to comply with the financial covenants set out in paragraph (a) at all times during the term of the Bonds, such compliance to be certified by the Issuer by the delivery of a Compliance Certificate at the times set out in paragraph (a) of Clause 12.2 (*Requirements as to Financial Reports*).

13.17 Financial testing

- (a) The financial covenants set out in Clause 13.16 (*Financial covenants*):
 - (i) shall be tested first time with reference to the Quarter Date immediately following the Issue Date, and thereafter on each Quarter Date; and
 - (ii) shall be tested by reference to each of the Financial Reports delivered and each Compliance Certificate delivered.
- (b) Except as provided to the contrary in these Bond Terms, an accounting term used in relation to calculation of any financial covenant is to be construed and the accounting items are to be treated/recognised in accordance with the Accounting Standard and the accounting principles applied in connection with the Original Financial Statements, adjusted, if necessary, to reflect IAS 17 and exclude effects of equal treatment of financial and operational leasing (consistent with the definition of “**Finance Lease**”).
- (c) Amounts will be specified in USD, and, if to be converted from another currency, will be calculated on the basis of the relevant rates of exchange used by the Issuer in or in connection with its most recent Financial Reports.

13.18 Equity Cure

Breaches of any financial covenant set out in Clause 13.16 (*Financial Covenants*) may be cured via contribution of new share capital or Subordinated Loans from the Issuer’s shareholders. The cure amount shall be applied towards:

- (a) Consolidated Cash and Cash Equivalent Assets in the case of a breach of the Gearing Ratio or Liquidity; and

- (b) Consolidated Finance Cost (as though the underlying debt on which the Consolidated Finance Cost accrued had been reduced by that amount on the first day of the Relevant Period) in the case of a breach of Interest Cover Ratio.

No more than two (2) cures may be effected during the term of the Bonds.

13.19 Incurrence Test

- (a) The Incurrence Test is met if:
 - (i) in respect of incurrence of new Financial Indebtedness:
 - (A) the Leverage Ratio (calculated in accordance with paragraph (c) below), is equal to or less than 2.50:1.00; and
 - (B) the Interest Cover Ratio is equal to or greater than 2.75:1.00;
 - (ii) in respect of any Distribution, the Leverage Ratio (calculated in accordance with paragraph (c) below), is equal to or less than 1.75:1.00.
- (b) Compliance with the Incurrence Test is subject to in each case, that no Event of Default is outstanding or would result from the relevant event for which compliance with the Incurrence Test is required.
- (c) The calculation of the Leverage Ratio for the purpose of the Incurrence Test shall:
 - (i) Be made as per a testing date determined by the Issuer, falling no earlier than thirty (30) days prior to the event relevant for the application of the Incurrence Test.
 - (ii) The Consolidated Net Total Borrowings shall be measured on the relevant testing date so determined, shall include the full principal amount of the Financial Indebtedness in respect of which the Incurrence Test is applied and shall exclude any Financial Indebtedness which shall be refinanced with the new Financial Indebtedness (however, any cash balance resulting from the incurrence of such Financial Indebtedness shall not reduce the Consolidated Net Total Borrowings).
 - (iii) The figures for Adjusted EBITDA for the Relevant Period (or a later Relevant Period if applicable) immediately prior to the testing date (unless the testing date is a financial quarter end) shall be used for the Incurrence Test, but adjusted so that:
 - (A) the operating profit before interest, tax, depreciation, amortisation and impairment changes (calculated on the same basis as EBITDA) of any Group Company (or attributable to a business or assets acquired by a Group Company) acquired or disposed of or in respect of any discontinued operations after the end of the Relevant Period but before the relevant testing date, shall be included or excluded (as applicable), pro forma, for the entire Relevant Period; and

- (B) any company, business, undertaking or assets to be acquired with the proceeds from new Financial Indebtedness in respect of which the Incurrence Test is applied shall be included, pro forma, for the entire Relevant Period.

14. EVENTS OF DEFAULT AND ACCELERATION OF THE BONDS

14.1 Events of Default

Each of the events or circumstances set out in this Clause 14.1 shall constitute an Event of Default:

(a) Non-payment

An Obligor fails to pay any amount payable by it under the Finance Documents when such amount is due for payment, unless:

- (i) its failure to pay is caused by administrative or technical error in payment systems or the CSD and payment is made within five (5) Business Days following the original due date; or
- (ii) in the discretion of the Bond Trustee, the Issuer has substantiated that it is likely that such payment will be made in full within five (5) Business Days following the original due date.

(b) Breach of other obligations

An Obligor does not comply with any provision of the Finance Documents other than set out under paragraph (a) (*Non-payment*) above, unless such failure is capable of being remedied and is remedied within twenty (20) Business Days after the earlier of the Issuer's actual knowledge thereof, or notice thereof is given to the Issuer by the Bond Trustee.

(c) Misrepresentation

Any representation, warranty or statement (including statements in Compliance Certificates) made by any Group Company under or in connection with any Finance Documents is or proves to have been incorrect, inaccurate or misleading in any material respect when made.

(d) Cross default

If for any Group Company:

- (i) any Financial Indebtedness is not paid when due nor within any applicable grace period; or
- (ii) any Financial Indebtedness is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described); or

- (iii) any commitment for any Financial Indebtedness is cancelled or suspended by a creditor as a result of an event of default (however described), or
- (iv) any creditor becomes entitled to declare any Financial Indebtedness due and payable prior to its specified maturity as a result of an event of default (however described),

provided however that the aggregate amount of such Financial Indebtedness or commitment for Financial Indebtedness falling within paragraphs (i) to (iv) above exceeds a total of USD 10,000,000 (or the equivalent thereof in any other currency).

(e) *Insolvency and insolvency proceedings*

Any Group Company:

- (i) is Insolvent; or
- (ii) is object of any corporate action or any legal proceedings is taken in relation to:
 - (A) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) other than a solvent liquidation or reorganisation; or
 - (B) a composition, compromise, assignment or arrangement with any creditor which may materially impair its ability to perform its payment obligations under these Bond Terms; or
 - (C) the appointment of a liquidator (other than in respect of a solvent liquidation), receiver, administrative receiver, administrator, compulsory manager or other similar officer of any of its assets; or
 - (D) enforcement of any Security over any of its or their assets having an aggregate value exceeding the threshold amount set out in paragraph (d) (*Cross default*) above; or
 - (E) for paragraphs (A) - (D) above, any analogous procedure or step is taken in any jurisdiction in respect of any such company.

However, this shall not apply to any petition which is frivolous or vexatious and is discharged, stayed or dismissed within twenty (20) Business Days of commencement.

(f) *Creditor's process*

Any expropriation, attachment, sequestration, distress or execution affects any asset or assets of any Group Company having an aggregate value exceeding the threshold amount set out in paragraph (d) (*Cross default*) above and is not discharged within twenty (20) Business Days.

(g) *Unlawfulness*

It is or becomes unlawful for an Obligor to perform or comply with any of its obligations under the Finance Documents to the extent this may materially impair:

- (i) the ability of such Obligor to perform its obligations under these Bond Terms; or
- (ii) the ability of the Bond Trustee or any Security Agent to exercise any material right or power vested to it under the Finance Documents.

14.2 Acceleration of the Bonds

If an Event of Default has occurred and is continuing, the Bond Trustee may, in its discretion in order to protect the interests of the Bondholders, or upon instruction received from the Bondholders pursuant to Clause 14.3 (*Bondholders' instructions*) below, by serving a Default Notice to the Issuer:

- (a) declare that the Outstanding Bonds, together with accrued interest and all other amounts accrued or outstanding under the Finance Documents be immediately due and payable, at which time they shall become immediately due and payable; and/or
- (b) exercise (or direct the Security Agent to exercise) any or all of its rights, remedies, powers or discretions under the Finance Documents or take such further measures as are necessary to recover the amounts outstanding under the Finance Documents.

14.3 Bondholders' instructions

The Bond Trustee shall serve a Default Notice pursuant to Clause 14.2 (*Acceleration of the Bonds*) if:

- (a) the Bond Trustee receives a demand in writing from Bondholders representing a simple majority of the Voting Bonds, that an Event of Default shall be declared, and a Bondholders' Meeting has not made a resolution to the contrary; or
- (b) the Bondholders' Meeting, by a simple majority decision, has approved the declaration of an Event of Default.

14.4 Calculation of claim

The claim derived from the Outstanding Bonds due for payment as a result of the serving of a Default Notice will be calculated at the call prices set out in Clause 10.2 (*Voluntary early redemption – Call Option*), as if such repayment and redemption had been done as an exercise of the Call Option when such Event of Default first occurred.

15. BONDHOLDERS' DECISIONS

15.1 Authority of the Bondholders' Meeting

- (a) A Bondholders' Meeting may, on behalf of the Bondholders, resolve to alter any of these Bond Terms, including, but not limited to, any reduction of principal or interest and any conversion of the Bonds into other capital classes.
- (b) The Bondholders' Meeting cannot resolve that any overdue payment of any instalment shall be reduced unless there is a pro rata reduction of the principal that has not fallen due, but may resolve that accrued interest (whether overdue or not) shall be reduced without a corresponding reduction of principal.

- (c) The Bondholders' Meeting may not adopt resolutions which will give certain Bondholders an unreasonable advantage at the expense of other Bondholders.
- (d) Subject to the power of the Bond Trustee to take certain action as set out in Clause 16.1 (*Power to represent the Bondholders*), if a resolution by, or an approval of, the Bondholders is required, such resolution may be passed at a Bondholders' Meeting. Resolutions passed at any Bondholders' Meeting will be binding upon all Bondholders.
- (e) At least 50 per cent. of the Voting Bonds must be represented at a Bondholders' Meeting for a quorum to be present.
- (f) Resolutions will be passed by simple majority of the Voting Bonds represented at the Bondholders' Meeting, unless otherwise set out in paragraph (g) below.
- (g) Save for any amendments or waivers which can be made without resolution pursuant to paragraph (a) section (i) and (ii) of Clause 17.1 (*Procedure for amendments and waivers*), a majority of at least 2/3 of the Voting Bonds represented at the Bondholders' Meeting is required for approval of any waiver or amendment of these Bond Terms.

15.2 Procedure for arranging a Bondholders' Meeting

- (a) A Bondholders' Meeting shall be convened by the Bond Trustee upon the request in writing of:
 - (i) the Issuer;
 - (ii) Bondholders representing at least 1/10 of the Voting Bonds;
 - (iii) the Exchange, if the Bonds are listed and the Exchange is entitled to do so pursuant to the general rules and regulations of the Exchange; or
 - (iv) the Bond Trustee.

The request shall clearly state the matters to be discussed and resolved.

- (b) If the Bond Trustee has not convened a Bondholders' Meeting within ten (10) Business Days after having received a valid request for calling a Bondholders' Meeting pursuant to paragraph (a) above, then the requesting party may call the Bondholders' Meeting itself.
- (c) Summons to a Bondholders' Meeting must be sent no later than ten (10) Business Days prior to the proposed date of the Bondholders' Meeting. The Summons shall be sent to all Bondholders registered in the CSD at the time the Summons is sent from the CSD. If the Bonds are listed, the Issuer shall ensure that the Summons is published in accordance with the applicable regulations of the Exchange. The Summons shall also be published on the website of the Bond Trustee (alternatively by press release or other relevant information platform).
- (d) Any Summons for a Bondholders' Meeting must clearly state the agenda for the Bondholders' Meeting and the matters to be resolved. The Bond Trustee may include additional agenda items to those requested by the person calling for the Bondholders'

Meeting in the Summons. If the Summons contains proposed amendments to these Bond Terms, a description of the proposed amendments must be set out in the Summons.

- (e) Items which have not been included in the Summons may not be put to a vote at the Bondholders' Meeting.
- (f) By written notice to the Issuer, the Bond Trustee may prohibit the Issuer from acquiring or dispose of Bonds during the period from the date of the Summons until the date of the Bondholders' Meeting, unless the acquisition of Bonds is made by the Issuer pursuant to Clause 10 (*Redemption and Repurchase of Bonds*).
- (g) A Bondholders' Meeting may be held on premises selected by the Bond Trustee, or if paragraph (b) above applies, by the person convening the Bondholders' Meeting (however to be held in the capital of the Relevant Jurisdiction). The Bondholders' Meeting will be opened and, unless otherwise decided by the Bondholders' Meeting, chaired by the Bond Trustee. If the Bond Trustee is not present, the Bondholders' Meeting will be opened by a Bondholder and be chaired by a representative elected by the Bondholders' Meeting (the Bond Trustee or such other representative, the "**Chairperson**").
- (h) Each Bondholder, the Bond Trustee and, if the Bonds are listed, representatives of the Exchange, or any person or persons acting under a power of attorney for a Bondholder, shall have the right to attend the Bondholders' Meeting (each a "**Representative**"). The Chairperson may grant access to the meeting to other persons not being Representatives, unless the Bondholders' Meeting decides otherwise. In addition, each Representative has the right to be accompanied by an advisor. In case of dispute or doubt regarding whether a person is a Representative or entitled to vote, the Chairperson will decide who may attend the Bondholders' Meeting and exercise voting rights.
- (i) Representatives of the Issuer have the right to attend the Bondholders' Meeting. The Bondholders Meeting may resolve to exclude the Issuer's representatives and/or any person holding only Issuer's Bonds (or any representative of such person) from participating in the meeting at certain times, however, the Issuer's representative and any such other person shall have the right to be present during the voting.
- (j) Minutes of the Bondholders' Meeting must be recorded by, or by someone acting at the instruction of, the Chairperson. The minutes must state the number of Voting Bonds represented at the Bondholders' Meeting, the resolutions passed at the meeting, and the results of the vote on the matters to be decided at the Bondholders' Meeting. The minutes shall be signed by the Chairperson and at least one other person. The minutes will be deposited with the Bond Trustee who shall make available a copy to the Bondholders and the Issuer upon request.
- (k) The Bond Trustee will ensure that the Issuer, the Bondholders and the Exchange are notified of resolutions passed at the Bondholders' Meeting and that the resolutions are published on the website of the Bond Trustee (or other relevant electronically platform or press release).

- (l) The Issuer shall bear the costs and expenses incurred in connection with convening a Bondholders' Meeting regardless of who has convened the Bondholders' Meeting, including any reasonable costs and fees incurred by the Bond Trustee.

15.3 Voting rules

- (a) Each Bondholder (or person acting for a Bondholder under a power of attorney) may cast one vote for each Voting Bond owned on the Relevant Record Date, ref. Clause 3.3 (*Bondholders' rights*). The Chairperson may, in its sole discretion, decide on accepted evidence of ownership of Voting Bonds.
- (b) Issuer's Bonds shall not carry any voting rights. The Chairperson shall determine any question concerning whether any Bonds will be considered Issuer's Bonds.
- (c) For the purposes of this Clause 15, a Bondholder that has a Bond registered in the name of a nominee will, in accordance with Clause 3.3 (*Bondholders' rights*), be deemed to be the owner of the Bond rather than the nominee. No vote may be cast by any nominee if the Bondholder has presented relevant evidence to the Bond Trustee pursuant to Clause 3.3 (*Bondholders' rights*) stating that it is the owner of the Bonds voted for. If the Bondholder has voted directly for any of its nominee registered Bonds, the Bondholder's votes shall take precedence over votes submitted by the nominee for the same Bonds.
- (d) Any of the Issuer, the Bond Trustee and any Bondholder has the right to demand a vote by ballot. In case of parity of votes, the Chairperson will have the deciding vote.

15.4 Repeated Bondholders' Meeting

- (a) Even if the necessary quorum set out in paragraph (e) of Clause 15.1 (*Authority of the Bondholders' Meeting*) is not achieved, the Bondholders' Meeting shall be held and voting completed for the purpose of recording the voting results in the minutes of the Bondholders' Meeting. The Bond Trustee or the person who convened the initial Bondholders' Meeting may, within ten (10) Business Days of that Bondholders' Meeting, convene a repeated meeting with the same agenda as the first meeting.
- (b) The provisions and procedures regarding Bondholders' Meetings as set out in Clause 15.1 (*Authority of the Bondholders' Meeting*), Clause 15.2 (*Procedure for arranging a Bondholders' Meeting*) and Clause 15.3 (*Voting rules*) shall apply *mutatis mutandis* to a repeated Bondholders' Meeting, with the exception that the quorum requirements set out in paragraph (e) of Clause 15.1 (*Authority of the Bondholders' Meeting*) shall not apply to a repeated Bondholders' Meeting. A Summons for a repeated Bondholders' Meeting shall also contain the voting results obtained in the initial Bondholders' Meeting.
- (c) A repeated Bondholders' Meeting may only be convened once for each original Bondholders' Meeting. A repeated Bondholders' Meeting may be convened pursuant to the procedures of a Written Resolution in accordance with Clause 15.5 (*Written Resolutions*), even if the initial meeting was held pursuant to the procedures of a Bondholders' Meeting in accordance with Clause 15.2 (*Procedure for arranging a Bondholders' Meeting*) and vice versa.

15.5 Written Resolutions

- (a) Subject to these Bond Terms, anything which may be resolved by the Bondholders in a Bondholders' Meeting pursuant to Clause 15.1 (*Authority of the Bondholders' Meeting*) may also be resolved by way of a Written Resolution. A Written Resolution passed with the relevant majority is as valid as if it had been passed by the Bondholders in a Bondholders' Meeting, and any reference in any Finance Document to a Bondholders' Meeting shall be construed accordingly.
- (b) The person requesting a Bondholders' Meeting may instead request that the relevant matters are to be resolved by Written Resolution only, unless the Bond Trustee decides otherwise.
- (c) The Summons for the Written Resolution shall be sent to the Bondholders registered in the CSD at the time the Summons is sent from the CSD and published at the Bond Trustee's web site, or other relevant electronic platform or via press release.
- (d) The provisions set out in Clause 15.1 (*Authority of the Bondholders' Meeting*), 15.2 (*Procedure for arranging a Bondholders' Meeting*), Clause 15.3 (*Voting rules*) and Clause 15.4 (*Repeated Bondholders' Meeting*) shall apply *mutatis mutandis* to a Written Resolution, except that:
 - (i) the provisions set out in paragraphs (g), (h) and (i) of Clause 15.2 (*Procedure for arranging Bondholders Meetings*); or
 - (ii) provisions which are otherwise in conflict with the requirements of this Clause 15.5,
 shall not apply to a Written Resolution.
- (e) The Summons for a Written Resolution shall include:
 - (i) instructions as to how to vote to each separate item in the Summons (including instructions as to how voting can be done electronically if relevant); and
 - (ii) the time limit within which the Bond Trustee must have received all votes necessary in order for the Written Resolution to be passed with the requisite majority, which shall be at least ten (10) Business Days but not more than fifteen (15) Business Days from the date of the Summons (the "**Voting Period**").
- (f) Only Bondholders of Voting Bonds registered with the CSD on the Relevant Record Date, or the beneficial owner thereof having presented relevant evidence to the Bond Trustee pursuant to Clause 3.3 (*Bondholders' rights*), will be counted in the Written Resolution.
- (g) A Written Resolution is passed when the requisite majority set out in paragraph (e) or (f) of Clause 15.1 (*Authority of Bondholders' Meeting*) has been obtained, based on a quorum of the total number of Voting Bonds, even if the Voting Period has not yet expired. A Written Resolution will also be resolved if the sufficient numbers of negative votes are received prior to the expiry of the Voting Period.

- (h) The effective date of a Written Resolution passed prior to the expiry of the Voting Period is the date when the resolution is approved by the last Bondholder that results in the necessary voting majority being obtained.
- (i) If no resolution is passed prior to the expiry of the Voting Period, the number of votes shall be calculated at the time specified in the summons on the last day of the Voting Period, and a decision will be made based on the quorum and majority requirements set out in paragraphs (e) to (g) of Clause 15.1 (*Authority of Bondholders' Meeting*).

16. THE BOND TRUSTEE

16.1 Power to represent the Bondholders

- (a) The Bond Trustee has power and authority to act on behalf of, and/or represent, the Bondholders in all matters, including but not limited to taking any legal or other action, including enforcement of these Bond Terms, and the commencement of bankruptcy or other insolvency proceedings against the Issuer, or others.
- (b) The Issuer shall promptly upon request provide the Bond Trustee with any such documents, information and other assistance (in form and substance satisfactory to the Bond Trustee), that the Bond Trustee deems necessary for the purpose of exercising its and the Bondholders' rights and/or carrying out its duties under the Finance Documents.

16.2 The duties and authority of the Bond Trustee

- (a) The Bond Trustee shall represent the Bondholders in accordance with the Finance Documents, including, inter alia, by following up on the delivery of any Compliance Certificates and such other documents which the Issuer is obliged to disclose or deliver to the Bond Trustee pursuant to the Finance Documents and, when relevant, in relation to accelerating and enforcing the Bonds on behalf of the Bondholders.
- (b) The Bond Trustee is not obligated to assess or monitor the financial condition of the Issuer or any other Obligor unless to the extent expressly set out in these Bond Terms, or to take any steps to ascertain whether any Event of Default has occurred. Until it has actual knowledge to the contrary, the Bond Trustee is entitled to assume that no Event of Default has occurred. The Bond Trustee is not responsible for the valid execution or enforceability of the Finance Documents, or for any discrepancy between the indicative terms and conditions described in any marketing material presented to the Bondholders prior to issuance of the Bonds and the provisions of these Bond Terms.
- (c) The Bond Trustee is entitled to take such steps that it, in its sole discretion, considers necessary or advisable to protect the rights of the Bondholders in all matters pursuant to the terms of the Finance Documents. The Bond Trustee may submit any instructions received by it from the Bondholders to a Bondholders' Meeting before the Bond Trustee takes any action pursuant to the instruction.
- (d) The Bond Trustee is entitled to engage external experts when carrying out its duties under the Finance Documents.
- (e) The Bond Trustee shall hold all amounts recovered on behalf of the Bondholders on separated accounts.

- (f) The Bond Trustee shall facilitate that resolutions passed at the Bondholders' Meeting are properly implemented, provided, however, that the Bond Trustee may refuse to implement resolutions that may be in conflict with these Bond Terms, any other Finance Document, or any applicable law.
- (g) Notwithstanding any other provision of the Finance Documents to the contrary, the Bond Trustee is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation.
- (h) If the cost, loss or liability which the Bond Trustee may incur (including reasonable fees payable to the Bond Trustee itself) in:
 - (i) complying with instructions of the Bondholders; or
 - (ii) taking any action at its own initiative,

will not, in the reasonable opinion of the Bond Trustee, be covered by the Issuer or the relevant Bondholders pursuant to paragraphs (e) and (g) of Clause 16.4 (*Expenses, liability and indemnity*), the Bond Trustee may refrain from acting in accordance with such instructions, or refrain from taking such action, until it has received such funding or indemnities (or adequate security has been provided therefore) as it may reasonably require.

- (i) The Bond Trustee shall give a notice to the Bondholders before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer of any fee or indemnity due to the Bond Trustee under the Finance Documents.
- (j) The Bond Trustee may instruct the CSD to split the Bonds to a lower nominal value in order to facilitate partial redemptions, write-downs or restructurings of the Bonds or in other situations where such split is deemed necessary.

16.3 Equality and conflicts of interest

- (a) The Bond Trustee shall not make decisions which will give certain Bondholders an unreasonable advantage at the expense of other Bondholders. The Bond Trustee shall, when acting pursuant to the Finance Documents, act with regard only to the interests of the Bondholders and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other person, other than as explicitly stated in the Finance Documents.
- (b) The Bond Trustee may act as agent, trustee, representative and/or security agent for several bond issues relating to the Issuer notwithstanding potential conflicts of interest. The Bond Trustee is entitled to delegate its duties to other professional parties.

16.4 Expenses, liability and indemnity

- (a) The Bond Trustee will not be liable to the Bondholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its gross negligence or wilful misconduct. The Bond Trustee shall not be responsible for any indirect or consequential loss. Irrespective of the foregoing, the Bond Trustee shall have no liability to the Bondholders for damage caused

by the Bond Trustee acting in accordance with instructions given by the Bondholders in accordance with these Bond Terms.

- (b) The Bond Trustee will not be liable to the Issuer for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless caused by its gross negligence or wilful misconduct. The Bond Trustee shall not be responsible for any indirect or consequential loss.
- (c) Any liability for the Bond Trustee for damage or loss is limited to the amount of the Outstanding Bonds. The Bond Trustee is not liable for the content of information provided to the Bondholders by or on behalf of the Issuer or any other person.
- (d) The Bond Trustee shall not be considered to have acted negligently in:
 - (i) acting in accordance with advice from or opinions of reputable external experts; or
 - (ii) taking, delaying or omitting any action if acting with reasonable care and provided the Bond Trustee considers that such action is in the interests of the Bondholders.
- (e) The Issuer is liable for, and will indemnify the Bond Trustee fully in respect of, all losses, expenses and liabilities incurred by the Bond Trustee as a result of negligence by the Issuer (including its directors, management, officers, employees and agents) in connection with the performance of the Bond Trustee's obligations under the Finance Documents, including losses incurred by the Bond Trustee as a result of the Bond Trustee's actions based on misrepresentations made by the Issuer in connection with the issuance of the Bonds, the entering into or performance under the Finance Documents, and for as long as any amounts are outstanding under or pursuant to the Finance Documents.
- (f) The Issuer shall cover all costs and expenses incurred by the Bond Trustee in connection with it fulfilling its obligations under the Finance Documents. The Bond Trustee is entitled to fees for its work and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents. The Bond Trustee's obligations under the Finance Documents are conditioned upon the due payment of such fees and indemnifications. The fees of the Bond Trustee will be further set out in the Bond Trustee Fee Agreement.
- (g) The Issuer shall on demand by the Bond Trustee pay all costs incurred for external experts engaged after the occurrence of an Event of Default, or for the purpose of investigating or considering (i) an event or circumstance which the Bond Trustee reasonably believes is or may lead to an Event of Default or (ii) a matter relating to the Issuer or any Finance Document which the Bond Trustee reasonably believes may constitute or lead to a breach of any Finance Document or otherwise be detrimental to the interests of the Bondholders under the Finance Documents.
- (h) Fees, costs and expenses payable to the Bond Trustee which are not reimbursed in any other way due to an Event of Default, the Issuer being Insolvent or similar circumstances pertaining to any Obligor, may be covered by making an equal reduction in the proceeds to the Bondholders hereunder of any costs and expenses incurred by the Bond Trustee

or the Security Agent in connection therewith. The Bond Trustee may withhold funds from any escrow account (or similar arrangement) or from other funds received from the Issuer or any other person, irrespective of such funds being subject to Transaction Security, and to set-off and cover any such costs and expenses from those funds.

- (i) As a condition to effecting any instruction from the Bondholders (including, but not limited to, instructions set out in Clause 14.3 (*Bondholders' instructions*) or Clause 15.2 (*Procedure for arranging a Bondholders' Meeting*)), the Bond Trustee may require satisfactory Security, guarantees and/or indemnities for any possible liability and anticipated costs and expenses from those Bondholders who have given that instruction and/or who voted in favour of the decision to instruct the Bond Trustee.

16.5 Replacement of the Bond Trustee

- (a) The Bond Trustee may be replaced by a majority of 2/3 of Voting Bonds in accordance with the procedures set out in Clause 15 (*Bondholders' Decisions*), and the Bondholders may resolve to replace the Bond Trustee without the Issuer's approval.
- (b) The Bond Trustee may resign by giving notice to the Issuer and the Bondholders, in which case a successor Bond Trustee shall be elected pursuant to this Clause 16.5, initiated by the retiring Bond Trustee.
- (c) If the Bond Trustee is Insolvent, or otherwise is permanently unable to fulfil its obligations under these Bond Terms, the Bond Trustee shall be deemed to have resigned and a successor Bond Trustee shall be appointed in accordance with this Clause 16.5. The Issuer may appoint a temporary Bond Trustee until a new Bond Trustee is elected in accordance with paragraph (a) above.
- (d) The change of Bond Trustee shall only take effect upon execution of all necessary actions to effectively substitute the retiring Bond Trustee, and the retiring Bond Trustee undertakes to co-operate in all reasonable manners without delay to such effect. The retiring Bond Trustee shall be discharged from any further obligation in respect of the Finance Documents from the change takes effect, but shall remain liable under the Finance Documents in respect of any action which it took or failed to take whilst acting as Bond Trustee. The retiring Bond Trustee remains entitled to any benefits and any unpaid fees or expenses under the Finance Documents before the change has taken place.
- (e) Upon change of Bond Trustee, the Issuer shall co-operate in all reasonable manners without delay to replace the retiring Bond Trustee with the successor Bond Trustee and release the retiring Bond Trustee from any future obligations under the Finance Documents and any other documents.

16.6 Security Agent

- (a) The Bond Trustee is appointed to act as Security Agent for the Bonds, unless any other person is appointed. The main functions of the Security Agent may include holding Transaction Security on behalf of the Secured Parties and monitoring compliance by the Issuer and other relevant parties of their respective obligations under the Transaction Security Documents with respect to the Transaction Security on the basis of information made available to it pursuant to the Finance Documents.

- (b) The Bond Trustee shall, when acting as Security Agent for the Bonds, at all times maintain and keep all certificates and other documents received by it, that are bearers of right relating to the Transaction Security in safe custody on behalf of the Bondholders. The Bond Trustee shall not be responsible for or required to insure against any loss incurred in connection with such safe custody.
- (c) Before the appointment of a Security Agent other than the Bond Trustee, the Issuer shall be given the opportunity to state its views on the proposed Security Agent, but the final decision as to appointment shall lie exclusively with the Bond Trustee.
- (d) The functions, rights and obligations of the Security Agent may be determined by a Security Agent Agreement to be entered into between the Bond Trustee and the Security Agent, which the Bond Trustee shall have the right to require each Obligor and any other party to a Finance Document to sign as a party, or, at the discretion of the Bond Trustee, to acknowledge. The Bond Trustee shall at all times retain the right to instruct the Security Agent in all matters, whether or not a separate Security Agent Agreement has been entered into.
- (e) The provisions set out in Clause 16.4 (*Expenses, liability and indemnity*) shall apply *mutatis mutandis* to any expenses and liabilities of the Security Agent in connection with the Finance Documents.

17. AMENDMENTS AND WAIVERS

17.1 Procedure for amendments and waivers

- (a) The Issuer and the Bond Trustee (acting on behalf of the Bondholders) may agree to amend the Finance Documents or waive a past default or anticipated failure to comply with any provision in a Finance Document, provided that:
 - (i) such amendment or waiver is not detrimental to the rights and benefits of the Bondholders in any material respect, or is made solely for the purpose of rectifying obvious errors and mistakes;
 - (ii) such amendment or waiver is required by applicable law, a court ruling or a decision by a relevant authority; or
 - (iii) such amendment or waiver has been duly approved by the Bondholders in accordance with Clause 15 (*Bondholders' Decisions*).
- (b) Any changes to these Bond Terms necessary or appropriate in connection with the appointment of a Security Agent other than the Bond Trustee shall be documented in an amendment to these Bond Terms, signed by the Bond Trustee (in its discretion). If so desired by the Bond Trustee, any or all of the Transaction Security Documents shall be amended, assigned or re-issued, so that the Security Agent is the holder of the relevant Security (on behalf of the Bondholders). The costs incurred in connection with such amendment, assignment or re-issue shall be for the account of the Issuer.

17.2 Authority with respect to documentation

If the Bondholders have resolved the substance of an amendment to any Finance Document, without resolving on the specific or final form of such amendment, the Bond Trustee shall be

considered authorised to draft, approve and/or finalise (as applicable) any required documentation or any outstanding matters in such documentation without any further approvals or involvement from the Bondholders being required.

17.3 Notification of amendments or waivers

- (a) The Bond Trustee shall as soon as possible notify the Bondholders of any amendments or waivers made in accordance with this Clause 17, setting out the date from which the amendment or waiver will be effective, unless such notice according to the Bond Trustee's sole discretion is unnecessary. The Issuer shall ensure that any amendment to these Bond Terms is duly registered with the CSD.
- (b) Prior to agreeing to an amendment or granting a waiver in accordance with paragraph (a) section (i) of Clause 17.1 (*Procedure for amendments and waivers*), the Bond Trustee may inform the Bondholders of such waiver or amendment at a relevant information platform.

18. MISCELLANEOUS

18.1 Limitation of claims

All claims under the Finance Documents for payment, including interest and principal, will be subject to the legislation regarding time-bar provisions of the Relevant Jurisdiction.

18.2 Access to information

- (a) These Bond Terms will be made available to the public and copies may be obtained from the Bond Trustee or the Issuer. The Bond Trustee will not have any obligation to distribute any other information to the Bondholders or any other person, and the Bondholders have no right to obtain information from the Bond Trustee, other than as explicitly stated in these Bond Terms or pursuant to statutory provisions of law.
- (b) In order to carry out its functions and obligations under these Bond Terms, the Bond Trustee will have access to the relevant information regarding ownership of the Bonds, as recorded and regulated with the CSD.
- (c) The information referred to in paragraph (b) above may only be used for the purposes of carrying out their duties and exercising their rights in accordance with the Finance Documents and shall not disclose such information to any Bondholder or third party unless necessary for such purposes.

18.3 Notices, contact information

- (a) Written notices to the Bondholders made by the Bond Trustee will be sent to the Bondholders via the CSD with a copy to the Issuer and the Exchange (if the Bonds are listed). Any such notice or communication will be deemed to be given or made via the CSD, when sent from the CSD.
- (b) The Issuer's written notifications to the Bondholders will be sent to the Bondholders via the Bond Trustee or through the CSD with a copy to the Bond Trustee and the Exchange (if the Bonds are listed).

- (c) Notwithstanding paragraph (a) above and provided that such written notification does not require the Bondholders to take any action under the Finance Documents, the Issuer's written notifications to the Bondholders may be published by the Bond Trustee on a relevant information platform only.
- (d) Unless otherwise specifically provided, all notices or other communications under or in connection with these Bond Terms between the Bond Trustee and the Issuer will be given or made in writing, by letter or e-mail. Any such notice or communication will be deemed to be given or made as follows:
 - (i) if by letter, when delivered at the address of the relevant party;
 - (ii) if by e-mail, when received; and
 - (iii) if by publication on a relevant information platform, when published.
- (e) The Issuer and the Bond Trustee shall each ensure that the other party is kept informed of changes in postal address, e-mail address, telephone number and contact persons.
- (f) When determining deadlines set out in these Bond Terms, the following will apply (unless otherwise stated):
 - (i) if the deadline is set out in days, the first day of the relevant period will not be included and the last day of the relevant period will be included;
 - (ii) if the deadline is set out in weeks, months or years, the deadline will end on the day in the last week or the last month which, according to its name or number, corresponds to the first day the deadline is in force. If such day is not a part of an actual month, the deadline will be the last day of such month; and
 - (iii) if a deadline ends on a day which is not a Business Day, the deadline is postponed to the next Business Day.

18.4 Defeasance

- (a) Subject to paragraph (b) below and provided that:
 - (i) an amount sufficient for the payment of principal and interest on the Outstanding Bonds to the relevant Repayment Date (including, to the extent applicable, any premium payable upon exercise of a Call Option), and always subject to paragraph (c) below (the "**Defeasance Amount**") is credited by the Issuer to an account in a financial institution acceptable to the Bond Trustee (the "**Defeasance Account**");
 - (ii) the Defeasance Account is irrevocably pledged and blocked in favour of the Bond Trustee on such terms as the Bond Trustee shall request (the "**Defeasance Pledge**"); and
 - (iii) the Bond Trustee has received such legal opinions and statements reasonably required by it, including (but not necessarily limited to) with respect to the validity and enforceability of the Defeasance Pledge,

then;

- (A) the Issuer will be relieved from its obligations under paragraph (a) of Clause 12.2 (*Requirements as to Financial Reports*), Clause 12.3 (*Put Option Event*), Clause 12.4 (*Material Asset Sale*), Clause 12.7 (*Information: miscellaneous*) and Clause 13 (*General and Financial Undertakings*);
 - (B) any Transaction Security shall be released and the Defeasance Pledge shall be considered replacement of the Transaction Security; and
 - (C) any Obligor shall be released from any Guarantee or other obligation applicable to it under any Finance Document.
- (b) The Bond Trustee shall be authorised to apply any amount credited to the Defeasance Account towards any amount payable by the Issuer under any Finance Document on the due date for the relevant payment until all obligations of the Issuer and all amounts outstanding under the Finance Documents are repaid and discharged in full.
 - (c) The Bond Trustee may, if the Defeasance Amount cannot be finally and conclusively determined, decide the amount to be deposited to the Defeasance Account in its discretion, applying such buffer amount as it deems necessary.

A defeasance established according to this Clause 18.4 may not be reversed.

19. GOVERNING LAW AND JURISDICTION

19.1 Governing law

These Bond Terms are governed by the laws of the Relevant Jurisdiction, without regard to its conflict of law provisions.

19.2 Main jurisdiction

The Bond Trustee and the Issuer agree for the benefit of the Bond Trustee and the Bondholders that the City Court of the capital of the Relevant Jurisdiction shall have jurisdiction with respect to any dispute arising out of or in connection with these Bond Terms. The Issuer agrees for the benefit of the Bond Trustee and the Bondholders that any legal action or proceedings arising out of or in connection with these Bond Terms against the Issuer or any of its assets may be brought in such court.

19.3 Alternative jurisdiction

Clause 19 (*Governing law and jurisdiction*) is for the exclusive benefit of the Bond Trustee and the Bondholders and the Bond Trustee have the right:

- (a) to commence proceedings against the Issuer or any other Obligor or any of their respective assets in any court in any jurisdiction; and
- (b) to commence such proceedings, including enforcement proceedings, in any competent jurisdiction concurrently.

19.4 Service of process

- (a) Without prejudice to any other mode of service allowed under any relevant law, the Issuer:
 - (i) irrevocably appoints MHWirth AS (registration number 942 524 544) as its agent for service of process in relation to any proceedings in connection with these Bond Terms; and
 - (ii) agrees that failure by an agent for service of process to notify the Issuer of the process will not invalidate the proceedings concerned.
- (b) If any person appointed as an agent for service of process is unable for any reason to act as agent for service of process, the Issuer must immediately (and in any event within ten (10) Business Days of such event taking place) appoint another agent on terms acceptable to the Bond Trustee. Failing this, the Bond Trustee may appoint another agent for this purpose.

-----000-----

These Bond Terms have been executed in two originals, of which the Issuer and the Bond Trustee shall retain one each.

SIGNATURES:

The Issuer: HMH HOLDING B.V. By: Dan-Erik Nilsen Position: Attorney-in-fact	As Bond Trustee and Security Agent: NORDIC TRUSTEE AS By: Vivian Trøsch Position: Authorised signatory
--	---

**ATTACHMENT 1
COMPLIANCE CERTIFICATE**

[date]

HMH Holding B.V. 9.875% senior secured bonds 2023/2026 ISIN NO0013063495

We refer to the Bond Terms for the above captioned Bonds made between Nordic Trustee AS as Bond Trustee on behalf of the Bondholders and the undersigned as Issuer. Pursuant to Clause 12.2 (*Requirements as to Financial Reports*) of the Bond Terms a Compliance Certificate shall be issued in connection with each delivery of Financial Reports to the Bond Trustee.

This letter constitutes the Compliance Certificate for the period [•].

Capitalised terms used herein will have the same meaning as in the Bond Terms.

With reference to Clause 12.2 (*Requirements as to Financial Reports*), we hereby certify that all information delivered under cover of this Compliance Certificate is true and accurate. Copies of our latest consolidated [Annual Financial Statements] / [Interim Accounts] are enclosed.

[The financial covenants set out in Clause 13.16 (*Financial covenants*) are met, please see the calculations and figures in respect of the ratios attached hereto.]

[With reference to Clause 13.11 (*Nomination of Material Subsidiaries*), the following Group Companies are nominated as Material Subsidiaries: [•].]

We confirm that, to the best of our knowledge, no Event of Default has occurred or is likely to occur.

Yours faithfully,
HMH Holding B.V.

Name of authorised person

Enclosure: Annual Financial Statements / Interim Accounts; [and any other written documentation]

ATTACHMENT 2
RELEASE NOTICE – ESCROW ACCOUNT

[date]

Dear Sirs,

HMH Holding B.V. 9.875%% senior secured bonds 2023/2026 ISIN NO0013063495

We refer to the Bond Terms for the above captioned Bonds made between Nordic Trustee AS as Bond Trustee on behalf of the Bondholders and the undersigned as Issuer.

Capitalised terms used herein will have the same meaning as in the Bond Terms.

We hereby give you notice that we on [date] wish to draw [the amount specified in Enclosure I (*Flow of Funds*)]/[all amounts] from the Escrow Account to be applied pursuant to the purpose set out in the Bond Terms, and request you to instruct the bank to release the above mentioned amount.

We hereby represent and warrant that (i) no Event of Default has occurred and is continuing or is likely to occur as a result of the release from the Escrow Account, and (ii) we confirm that the representations and warranties set out in the Bond Terms are true and accurate in all material respects at the date hereof.

Yours faithfully,
HMH Holding B.V.

Name of authorised person

Enclosure I: *Flow of Funds*

ATTACHMENT 3 AGREED SECURITY PRINCIPLES

The Transaction Security and Guarantees shall be granted subject to the following principles:

- (i) general statutory and customary limitations (e.g. financial assistance or corporate benefit limitations) may limit the ability of an Obligor or Security Provider to guarantee or provide Security or require that such guarantee or Security is limited by an amount or otherwise;
- (ii) only entities wholly owned (directly or indirectly) by the Issuer or jointly wholly owned (directly or indirectly) by the Issuer and any Parent Entity (in each case, a “**Relevant Entity**”), shall be required to provide Guarantees and/or Security, provided (a) that the Issuer shall use its best efforts to get consent from any other shareholder in a partly owned entity (other than a Relevant Entity) for such partly owned entity to provide a Guarantee, and if obtained, shall grant a Guarantee subject to the other Agreed Security Principles, and (b) if such consent is not obtained, procure that a Guarantee is provided by the nearest Relevant Entity of such partly owned entity and that security over the shares in the nearest Relevant Entity is granted.
- (iii) Security over shares in any partly owned entity (other than a Relevant Entity) shall (a) only extend to shares owned by a Relevant Entity and be subject to any contractual limitations in respect of such Security, provided that the Issuer shall make reasonable efforts to remove any such contractual limitations, and (b) if Security over such shares cannot be created and or perfected due to contractual limitations, be granted over the shares in the nearest Relevant Entity being a direct or indirect parent entity of such partly owned entity. If such restriction ceases to apply, such member of the Group shall promptly thereafter become a Guarantor and grant the relevant Security.
- (iv) Material Subsidiaries and Security Providers will not be required to give guarantees or enter into Transaction Security Documents if it would conflict with the fiduciary duties of their directors or contravene any legal prohibition or result in a material risk of personal or criminal liability on the part of any officer provided that the relevant Material Subsidiary or Security Provider shall use reasonable endeavours to overcome any such obstacle (taking into account e.g. the cost and resources required to overcome any such obstacle);
- (v) any Security or any Guarantee, and the extent of its perfection and scope, shall take into account the cost, work and time of providing the same which must not be disproportionate to the benefit accruing to the Bondholders;
- (vi) no Obligor or Security Provider shall be under an obligation to grant any Security over any assets or guarantee which would impose a stamp duty, registration fee or similar on it unless such stamp duty or registration fee is negligible;
- (vii) the Issuer may elect to provide share Security over the direct holding company of any Material Subsidiary (rather than the Material Subsidiary itself) if it deems this advisable in light of any limitations or costs listed above; and
- (viii) the Transaction Security Documents and Guarantees shall operate to create Security or guarantees rather than to impose any new commercial obligations and shall, accordingly, not

contain additional or duplicate representations or undertakings to those contained in the Bond Terms unless required for the creation, perfection or preservation of the Security or guarantee and shall not be unduly burdensome on the Obligor or Security Provider or interfere unreasonably with the operation of its business.



Appendix 3 - Articles of Association of HMM
Holding (Netherlands) B.V.

The undersigned:

Corstiaan Anne Voogt, civil law notary in Amsterdam, declares with respect to the articles of association (the "**Articles of Association**") of the private limited liability company **HMM Holding B.V.**, with corporate seat in Amsterdam, the Netherlands (the "**Company**") as follows:

- (i) the Articles of Association correspond with the document in the Dutch language which is attached to this declaration;
- (ii) the document in the English language attached to this declaration is an unofficial translation of the Articles of Association; if differences occur in the translation, the Dutch text will govern by law; and
- (iii) the Articles of Association were most recently amended by deed (the "**Deed**") executed on 22 October 2024 before C.A. Voogt, civil law notary in Amsterdam, the Netherlands.

When issuing the statements included above under (i) and (iii) I, C.A. Voogt, civil law notary, based any observations entirely on the information stated in the extract from the Trade Register of the registration of the Company and on an official copy of the Deed.

Signed in Amsterdam on 22 October 2024.



STATUTEN

van:

HMH Holding B.V.

statutair gevestigd in Amsterdam

d.d. 22 oktober 2024

1 DEFINITIES EN INTERPRETATIE

1.1 Definities

In deze statuten gelden de volgende definities:

"Aandeelhoudersovereenkomst" betekent de aandeelhoudersovereenkomst met betrekking tot de Vennootschap, initieel aangegaan door de aandeelhouders van de Vennootschap op een oktober tweeduizendeenentwintig en laatstelijk gewijzigd op acht februari tweeduizendvierentwintig, zoals van tijd tot tijd gewijzigd, en welke overeenkomst ten kantore van de Vennootschap is neergelegd (i) ter volledige inzage van de aandeelhouders en de bestuurders van de Vennootschap, en (ii) ter, naar beoordeling van het bestuur, volledige of gedeeltelijke inzage van derden, indien en voor zover dit naar goeddunken van het bestuur redelijkerwijs in het belang is om inzicht te hebben in de organisatie van de Vennootschap. Derden die geen partij zijn bij de Aandeelhoudersovereenkomst kunnen geen rechten ontlenen aan en hebben geen verplichtingen op grond van een dergelijke overeenkomst of bepalingen in deze statuten die voortvloeien uit de Aandeelhoudersovereenkomst;

"Aandelen A" betekent gewone aandelen A in het kapitaal van de Vennootschap, bestaande uit de Bear Aandelen A en de Titan Aandelen A;

"Aandelen A Vergadering" betekent de vergadering van houders van Aandelen A;

"Aandelen B" betekent gewone aandelen B in het kapitaal van de Vennootschap, bestaande uit de Bear Aandelen B en de Titan Aandelen B;

"Aandelen B Vergadering" betekent de vergadering van houders van Aandelen B;

"Algemene Vergadering" betekent het orgaan dat bestaat uit de Stemgerechtigden, of de bijeenkomst waarin de Vergadergerechtigden vergaderen;

"Auditbesluit" betekent het Besluit instelling auditcommissie zoals dat van tijd tot tijd luidt;

"Auditcommissie" betekent het orgaan als bedoeld in de eerste zin van artikel 8.5.1;

"Bear Aandelen" betekent de Bear Aandelen A en de Bear Aandelen B gezamenlijk;

"Bear Aandelen A" betekent de Aandelen A met de aanduiding Bear Aandelen A;

"Bear Aandelen A Resultaten" betekent de resultaten van de Vennootschap die zijn toe te rekenen aan de door de Vennootschap gehouden HMH Netherlands Bear Aandelen A, of enige aandelen die deze aandelen geheel of gedeeltelijk hebben vervangen;

"Bear Aandelen A Vergadering" betekent de vergadering van houders van Bear Aandelen A;

"Bear Aandelen A Winstreserve" betekent de winstreserve als bedoeld in artikel 11.2.4(a);

"Bear Aandelen B" betekent de Aandelen B met de aanduiding Bear Aandelen B;

"Bear Aandelen B Resultaten" betekent de resultaten van de Vennootschap die zijn toe

te rekenen aan de door de Vennootschap gehouden HMH Netherlands Bear Aandelen B, of enige aandelen die deze aandelen geheel of gedeeltelijk hebben vervangen;

"Bear Aandelen B Vergadering" betekent de vergadering van houders van Bear Aandelen B;

"Bear Aandelen B Winstreserve" betekent de winstreserve als bedoeld in artikel 11.2.4(b);

"Bear Aandelen Vergadering" betekent de vergadering van houders van Bear Aandelen, zijnde de Bear Aandelen A Vergadering en de Bear Aandelen B Vergadering gezamenlijk;

"Bear Bestuurder" betekent een bestuurder die als Bear Bestuurder is aangewezen in overeenstemming met artikel 8.1.2;

"BW" betekent het Burgerlijk Wetboek;

"Dochtermaatschappij" betekent een dochtermaatschappij als bedoeld in artikel 2:24a BW;

"HMH Netherlands" betekent HMH Holding (Netherlands) B.V., een besloten vennootschap met beperkte aansprakelijkheid, statutair gevestigd in Amsterdam, en haar rechtsopvolgers onder algemene titel;

"HMH Netherlands Bear Aandelen A" betekent de aandelen A met aanduiding Bear Aandelen A in het kapitaal van HMH Netherlands;

"HMH Netherlands Bear Aandelen B" betekent de aandelen B met aanduiding Bear Aandelen B in het kapitaal van HMH Netherlands;

"HMH Netherlands Titan Aandelen A" betekent de aandelen A met aanduiding Titan Aandelen A in het kapitaal van HMH Netherlands;

"HMH Netherlands Titan Aandelen B" betekent de aandelen B met aanduiding Titan Aandelen B in het kapitaal van HMH Netherlands;

"Kwaliteitseis" betekent de kwaliteitseis als bedoeld in artikel 3.2.1, eerste zin;

"Onafhankelijke Bestuurder" betekent een bestuurder die als Onafhankelijke Bestuurder is aangewezen in overeenstemming met artikel 8.1.2;

"Overdrager" een aandeelhouder die zijn aandelen wil overdragen of moet aanbieden;

"Resultaten" betekent de Bear Aandelen A Resultaten, de Bear Aandelen B Resultaten, de Titan Aandelen A Resultaten en de Titan Aandelen B Resultaten;

"Stemgerechtigden" betekent aandeelhouders met stemrecht in de Algemene Vergadering, pandhouders met stemrecht in de Algemene Vergadering en vruchtgebruikers met stemrecht in de Algemene Vergadering, of als de vergadering van houders van aandelen van een bepaalde soort of aanduiding besluiten neemt, met stemrecht in die vergadering;

"Titan Aandelen" betekent de Titan Aandelen A en de Titan Aandelen B gezamenlijk;

"Titan Aandelen A" betekent de Aandelen A met de aanduiding Titan Aandelen A;

"Titan Aandelen A Resultaten" betekent de resultaten van de Vennootschap die zijn toe te rekenen aan de door de Vennootschap gehouden HMH Netherlands Titan Aandelen A, of enige aandelen die deze aandelen geheel of gedeeltelijk hebben vervangen;

"Titan Aandelen A Vergadering" betekent de vergadering van houders van Titan Aandelen A;

"Titan Aandelen A Winstreserve" betekent de winstreserve als bedoeld in artikel

11.2.4(c);

"Titan Aandelen B" betekent de Aandelen B met de aanduiding Titan Aandelen B;

"Titan Aandelen B Resultaten" betekent de resultaten van de Vennootschap die zijn toe te rekenen aan de door de Vennootschap gehouden HMH Nederlands Titan Aandelen B, of enige aandelen die deze aandelen geheel of gedeeltelijk hebben vervangen;

"Titan Aandelen B Vergadering" betekent de vergadering van houders van Titan Aandelen B;

"Titan Aandelen B Winstreserve" betekent de winstreserve als bedoeld in artikel 11.2.4(d);

"Titan Aandelen Vergadering" betekent de vergadering van houders van Titan Aandelen, zijnde de Titan Aandelen A Vergadering en de Titan Aandelen B Vergadering gezamenlijk;

"Titan Bestuurder" betekent een bestuurder die als Titan Bestuurder is aangewezen in overeenstemming met artikel 8.1.2;

"Vennootschap" betekent de besloten vennootschap met beperkte aansprakelijkheid waarvan de organisatie is vastgelegd in deze statuten;

"Vergadergerechtigden" betekent aandeelhouders, pandhouders met Vergaderrecht en vruchtgebruikers met Vergaderrecht;

"Vergaderrecht" betekent het recht om, in persoon of bij schriftelijk gevolmachtigde, de Algemene Vergadering of, in het geval van een vergadering van houders van aandelen van een bepaalde soort of aanduiding, de vergadering van houders van aandelen van die soort of aanduiding bij te wonen en daar het woord te voeren;

"Vice-Voorzitter" betekent de bestuurder die door het bestuur, in overeenstemming met artikel 8.3.2, is aangewezen als Vice-Voorzitter; en

"Voorzitter" betekent de bestuurder die door het bestuur, in overeenstemming met artikel 8.3.2, is aangewezen als Voorzitter.

1.2 Interpretatie

- 1.2.1 Het bestuur, de Auditcommissie, de Algemene Vergadering, de Aandelen A Vergadering, de Aandelen B Vergadering, de Bear Aandelen Vergadering, de Titan Aandelen Vergadering, de Bear Aandelen A Vergadering, de Titan Aandelen A Vergadering, de Bear Aandelen B Vergadering en de Titan Aandelen B Vergadering vormen elk een onderscheiden orgaan van de Vennootschap.
- 1.2.2 De Aandelen A en de Aandelen B vormen elk een aparte soort aandelen in het kapitaal van de Vennootschap. De Bear Aandelen A, de Titan Aandelen A, de Bear Aandelen B en de Titan Aandelen B zijn elk aandelen van een bepaalde aanduiding.
- 1.2.3 Waar in deze statuten wordt gerefereerd aan de vergadering van houders van aandelen van een bepaalde soort of aanduiding, wordt daaronder verstaan het orgaan van de Vennootschap bestaande uit de persoon of personen aan wie, als houder van aandelen van de betreffende soort of aanduiding of anderszins, de stemrechten verbonden aan de aandelen van de betreffende soort of aanduiding toekomen, of (al naar gelang het geval) een vergadering van deze personen (of hun vertegenwoordigers).
- 1.2.4 Verwijzingen naar "artikelen" zijn verwijzingen naar artikelen van deze statuten, tenzij uitdrukkelijk anders aangegeven.
- 1.2.5 Verwijzingen naar één geslacht omvatten alle geslachten en verwijzingen naar het

enkelvoud omvatten ook het meervoud, en vice versa.

2 NAAM, ZETEL EN DOEL

2.1 Naam en zetel

2.1.1 De naam van de Vennootschap is: **HMH Holding B.V.**

2.1.2 De Vennootschap heeft haar zetel in Amsterdam.

2.2 Doel

De Vennootschap heeft tot doel:

- (a) het oprichten, op enigerlei wijze deelnemen of een belang nemen in, beheren van en toezicht houden op ondernemingen en vennootschappen, van welke aard dan ook;
- (b) het geven van advies en aanbieden van diensten aan ondernemingen en vennootschappen waarmee de Vennootschap is verbonden;
- (c) het financieren van ondernemingen en vennootschappen waarmee de Vennootschap is verbonden;
- (d) het aangaan van leningen en werven van fondsen, waaronder de uitgifte van obligaties, schuldbekentenissen of andere effecten, en het aangaan van daarmee verband houdende overeenkomsten; en
- (e) het verstrekken van waarborgen, de Vennootschap te verbinden en de activa van de Vennootschap te bezwaren ten gunste van ondernemingen, vennootschappen en andere rechtspersonen waarmee de Vennootschap is verbonden en ten gunste van derden,

alsmede al hetgeen met het vorenstaande verband houdt of daartoe bevorderlijk kan zijn, alles in de ruimste zin van het woord.

3 KAPITAAL, KWALITEITSEIS EN UITGIFTE VAN AANDELEN

3.1 Kapitaal en aandelen

3.1.1 Het kapitaal van de Vennootschap bestaat uit:

- (a) één of meer Aandelen A met een nominale waarde van een euro (EUR 1,--) elk, welke aandelen de volgende aanduiding en nummering hebben:
 - (i) Bear Aandelen A, die genummerd zijn vanaf Bear A1; of
 - (ii) Titan Aandelen A, die genummerd zijn vanaf Titan A1; en
- (b) één of meer Aandelen B met een nominale waarde van een euro (EUR 1,--) elk, welke aandelen de volgende aanduiding en nummering hebben:
 - (i) Bear Aandelen B, die genummerd zijn vanaf Bear B1; of
 - (ii) Titan Aandelen B, die genummerd zijn vanaf Titan B1.

3.1.2 De aandelen luiden op naam. Aandeelbewijzen worden niet uitgegeven.

3.2 Kwaliteitseis

3.2.1 Tenzij de Vennootschap een enig aandeelhouder heeft, kunnen naast de Vennootschap en haar Dochtermaatschappijen uitsluitend personen aandeelhouder zijn die partij zijn bij of zijn toegetreden tot de Aandeelhoudersovereenkomst. In afwijking van de vorige zin kunnen ook diegenen die bij besluit van de Algemene Vergadering zijn vrijgesteld van voldoening aan de Kwaliteitseis aandeelhouder zijn.

3.2.2 Indien en voor zo lang een aandeelhouder niet aan de Kwaliteitseis voldoet en niet van voldoening is vrijgesteld door de Algemene Vergadering, worden de aan de aandelen van de aandeelhouder verbonden Vergaderrechten en stemrechten en de rechten op

- dividend, betaling, terugbetaling of andere uitkeringen van de Vennootschap op die aandelen opgeschort.
- 3.2.3 De opschorting van Vergaderrechten en stemrechten als bedoeld in artikel 3.2.2 eindigt indien als gevolg van die opschorting op geen enkel aandeel meer stemrecht kan worden uitgeoefend. Voorts eindigt de in artikel 3.2.2 bedoelde opschorting van alle rechten met betrekking tot een verpand aandeel indien en zolang het aan dat verpande aandeel verbonden stemrecht door de pandhouder kan worden uitgeoefend ingevolge een overdracht van het stemrecht overeenkomstig artikel 6.2.2.
- 3.2.4 Indien en voor zo lang als een aandeelhouder niet voldoet aan de Kwaliteitseis en niet van voldoening is vrijgesteld door de Algemene Vergadering, moet de betreffende aandeelhouder de Vennootschap verzoeken een (1) of meer gegadigde(n) voor al zijn aandelen aan te wijzen. De Vennootschap is verplicht om, binnen drie (3) maanden na ontvangst van het verzoek als bedoeld in de vorige zin, een (1) of meer personen aan te wijzen die wel voldoen aan, of vrijgesteld zijn van voldoening aan, de Kwaliteitseis en die bereid en in staat zijn alle aandelen van de verzoekende aandeelhouder te kopen. De aandeelhouder en de aangewezen gegadigde(n) stellen de prijs van de aandelen vast. Als geen overeenstemming wordt bereikt over de prijs, wordt deze vastgesteld door een onafhankelijke deskundige, die door de aangewezen gegadigde(n) en de aandeelhouder gezamenlijk wordt benoemd. Indien de aangewezen gegadigde(n) en de aandeelhouder geen overeenstemming bereiken over deze aanwijzing binnen twintig (20) dagen na het begin van het onderling overleg, heeft ieder van de aangewezen gegadigde(n) en de aandeelhouder het recht om de voorzitter van de Koninklijke Notariële Beroepsorganisatie te verzoeken een onafhankelijke deskundige aan te wijzen.
- 3.2.5 Als een aanwijzing als bedoeld in de tweede zin van artikel 3.2.4 niet of niet tijdig plaatsvindt, of als door omstandigheden buiten zijn macht niet alle aandelen van de verzoeker worden gekocht:
- (a) wordt de betreffende aandeelhouder onherroepelijk vrijgesteld van de Kwaliteitseis en eindigt de opschorting van de aandeelhoudersrechten als bedoeld in artikel 3.2.2; en
 - (b) moet de betreffende aandeelhouder al zijn (resterende) aandelen in overeenstemming met artikel 7.3 aanbieden aan een (1) of meer personen die wel voldoen aan, of vrijgesteld zijn van voldoening aan, de Kwaliteitseis.
- 3.2.6 Als een aandeelhouder niet binnen drie (3) maanden nadat hij, zonder daarvan te zijn vrijgesteld, is opgehouden te voldoen aan de Kwaliteitseis een verzoek als bedoeld in de eerste zin van artikel 3.2.4 heeft ingediend, of als een aandeelhouder die zijn aandelen overeenkomstig artikel 3.2.5(b) moet aanbieden niet binnen een (1) maand na het moment dat de vrijstelling als bedoeld in artikel 3.2.5(a) van kracht is geworden het aanbod heeft gedaan als bedoeld in artikel 7.3, is de Vennootschap onherroepelijk gemachtigd om, binnen een (1) maand, een (1) of meer gegadigde(n) aan te wijzen voor alle aandelen van de betreffende aandeelhouder en deze aandelen te leveren.
- 3.3 Uitgifte van aandelen**
- 3.3.1 Het bestuur besluit tot uitgifte van aandelen en stelt de uitgifteprijs en de overige voorwaarden van uitgifte vast.
- 3.3.2 Artikel 3.3.1 is van overeenkomstige toepassing als rechten tot het nemen van aandelen

worden verleend, maar niet indien aandelen worden uitgegeven aan een person die een recht tot het nemen van aandelen uitoefent.

3.3.3 Aandelen worden niet uitgegeven tegen een uitgifteprijs die lager is dan de nominale waarde van de aandelen.

3.3.4 Aandelen worden uitgegeven bij notariële akte.

3.4 Voorkeursrecht

Behoudens de bepalingen van de Aandeelhoudersovereenkomst, die in acht moeten worden genomen, heeft een aandeelhouder geen voorkeursrecht als aandelen worden uitgegeven of rechten tot het nemen van aandelen worden verleend.

4 EIGEN AANDELEN EN KAPITAALVERMINDERING

4.1 Verkrijging en vervreemding van eigen aandelen

4.1.1 Het bestuur beslist over de verkrijging door de Vennootschap van (certificaten van) volgestorte aandelen. Verkrijging door de Vennootschap van niet volgestorte (certificaten van) aandelen is nietig.

4.1.2 Als de Vennootschap eigen aandelen vervreemdt, is artikel 3.3.1 van overeenkomstige toepassing, behalve dat vervreemding ook mogelijk is voor een lager bedrag dan de nominale waarde van de aandelen. De overdrachtsbeperkingen als bedoeld in artikel 7.1.1 (*Overdrachtsbeperkingen*) zijn niet van toepassing.

4.2 Kapitaalvermindering

4.2.1 De Algemene Vergadering kan besluiten het geplaatste kapitaal te verminderen.

4.2.2 Het geplaatste kapitaal kan worden verminderd door het nominale bedrag van aandelen bij statutenwijziging te verminderen of door aandelen in te trekken.

5 AANDEELHOUDERSREGISTER, OPROEPINGEN EN MEDEDELINGEN

5.1 Aandeelhoudersregister

5.1.1 Het bestuur houdt een aandeelhoudersregister als bedoeld in artikel 2:194 BW.

5.1.2 Het bestuur legt het aandeelhoudersregister ter inzage van de Vergadergerechtigden op het kantoor van de Vennootschap.

5.2 Oproepingen en mededelingen

5.2.1 Oproepingen en mededelingen aan Vergadergerechtigden worden schriftelijk gedaan en gestuurd naar de adressen die zijn vermeld in het aandeelhoudersregister. Als een Vergadergerechtigde hiermee instemt, kunnen oproepingen en mededelingen aan hem worden gestuurd per e-mail.

5.2.2 Mededelingen aan het bestuur worden schriftelijk gedaan en gestuurd naar het adres van de Vennootschap, of per e-mail aan het adres dat voor dit doel bekend is gemaakt.

6 CERTIFICERING EN BEPERKTE RECHTEN OP AANDELEN

6.1 Certificering

Aan certificaten van aandelen kan geen Vergaderrecht worden verbonden.

6.2 Pandrecht

6.2.1 Aandelen kunnen worden verpand.

6.2.2 De pandhouder heeft het stemrecht op een verpand aandeel als dat schriftelijk is overeengekomen bij de vestiging van het pandrecht of daarna en de pandhouder een persoon is aan wie de aandelen vrijelijk kunnen worden overgedragen, of als de Algemene Vergadering de toekenning van stemrecht en - wanneer een ander in de rechten van de pandhouder treedt - de overgang van het stemrecht heeft goedgekeurd.

- 6.2.3 Alleen pandhouders die stemrecht hebben, hebben Vergaderrecht. Aandeelhouders die als gevolg van een pandrecht geen stemrecht hebben, hebben Vergaderrecht.

7 LEVERING VAN AANDELEN EN OVERDRACHTSBEPERKINGEN

7.1 Levering van aandelen

- 7.1.1 De levering van aandelen of van een recht van vruchtgebruik op aandelen, de vestiging of afstand van een recht van vruchtgebruik op aandelen en de vestiging van een pandrecht op aandelen, vindt plaats bij notariële akte. Levering van certificaten van aandelen en afstand van een pandrecht op aandelen vinden plaats bij onderhandse akte. De pandhouder en pandgever zijn verplicht de Vennootschap in kennis te stellen van de afstand van het pandrecht.
- 7.1.2 De bepalingen van artikelen 7.2 tot en met 7.7 zijn van toepassing op een overdracht van aandelen. In afwijking van de vorige zin zijn de bepalingen van artikelen 7.2 tot en met 7.7 en artikel 2:195 BW niet van toepassing op een overdracht van aandelen in het kader van uitwinning van een pandrecht op die aandelen overeenkomstig artikel 3:248 BW.

7.2 Overdracht van aandelen in overeenstemming met de Aandeelhoudersovereenkomst

De overdracht van een (1) of meer aandelen door een aandeelhouder die partij is bij de Aandeelhoudersovereenkomst kan uitsluitend plaatsvinden overeenkomstig de Aandeelhoudersovereenkomst. Op een dergelijke overdracht zijn de overdrachtsbeperkingen als bedoeld in artikelen 7.3 tot en met 7.7 en artikel 2:195 BW niet van toepassing.

7.3 Overdracht van aandelen anders dan in overeenstemming met de Aandeelhoudersovereenkomst

- 7.3.1 Een aandeelhouder die zijn aandelen wenst over te dragen maar die niet of niet langer partij is bij de Aandeelhoudersovereenkomst, moet zijn aandelen eerst aanbieden aan de andere aandeelhouders; de Vennootschap wordt alleen als aandeelhouder aangemerkt als de Overdrager daarmee instemt. De beperkingen en regels bedoeld in artikel 7.4 tot en met artikel 7.7 zijn van toepassing.
- 7.3.2 Artikel 7.3.1 is niet van toepassing op een overdracht van aandelen aan een gegadigde in overeenstemming met artikel 3.2.4 of 3.2.6.

7.4 Aanbieding aan andere aandeelhouders: procedure

- 7.4.1 Een Overdrager deelt het bestuur mee dat hij aandelen wil overdragen. Bij deze mededeling moet de Overdrager aangeven:
- (a) het aantal aandelen dat hij wil overdragen;
 - (b) eventuele soort en aanduiding van die aandelen; en
 - (c) de personen aan wie hij die aandelen wil overdragen.
- 7.4.2 Het bestuur zorgt ervoor dat de andere aandeelhouders binnen zeven dagen na ontvangst van de mededeling genoemd in artikel 7.4.1 op de hoogte worden gebracht van het aanbod van de Overdrager.
- 7.4.3 De Overdrager en de andere aandeelhouders hebben vervolgens de mogelijkheid in overleg te treden over het kopen van de aandelen en de prijs. Als zij overeenstemming bereiken, komt er een koopovereenkomst tot stand. Als zij niet binnen twintig (20) dagen overeenstemming bereiken, zijn de artikelen 7.5 tot en met 7.7 van toepassing.

7.5 Aanbieding aan andere aandeelhouders: prijsbepaling

- 7.5.1 De Overdrager en het bestuur treden in overleg om een onafhankelijke deskundige aan te wijzen. Mochten zij hierover geen overeenstemming bereiken, dan wordt de onafhankelijke deskundige aangewezen door de voorzitter van de Koninklijke Notariële Beroepsorganisatie. De onafhankelijke deskundige stelt de prijs van de aandelen vast.
- 7.5.2 Binnen tien (10) dagen nadat de onafhankelijke deskundige de prijs aan de Overdrager en het bestuur bekend heeft gemaakt, doet het bestuur een mededeling aan de andere aandeelhouders. Bij deze mededeling moet het bestuur aangeven:
- (a) de naam van de Overdrager;
 - (b) de personen aan wie de Overdrager wil overdragen;
 - (c) het aantal aandelen dat de Overdrager wil overdragen;
 - (d) eventuele soort en aanduiding van die aandelen; en
 - (e) de door de onafhankelijke deskundige vastgestelde prijs.
- 7.5.3 Aandeelhouders die aandelen willen kopen, moeten binnen dertig (30) dagen na de mededeling in artikel 7.5.2 kenbaar maken aan het bestuur dat zij aandelen willen kopen, en hoeveel aandelen.
- 7.5.4 Tien (10) dagen nadat de termijn genoemd in artikel 7.5.3 is verlopen, meldt het bestuur aan de Overdrager of er gegadigden onder de overige aandeelhouders zijn en hoeveel aandelen deze gegadigden willen kopen.
- 7.5.5 Na de mededeling van het bestuur in artikel 7.5.4 heeft de Overdrager dertig (30) dagen de tijd om te beslissen of hij zijn aandelen verkoopt aan de gegadigden.
- 7.5.6 De kosten van de prijsvaststelling zijn voor rekening van de Overdrager.
- 7.5.7 Als de Overdrager zijn aanbod niet heeft ingetrokken, komt een koopovereenkomst tot stand als er voor alle aangeboden aandelen gegadigden zijn.
- 7.5.8 Als de andere aandeelhouders niet bereid zijn om alle aangeboden aandelen kopen, mag de Overdrager alle aandelen binnen negentig (90) dagen overdragen aan de personen die zijn genoemd in de in artikel 7.5.1 vermelde mededeling, tegen ten minste dezelfde prijs en voorwaarden als waartegen de andere aandeelhouders de aandelen kunnen kopen.
- 7.5.9 De Overdrager moet binnen twintig (20) dagen na het verstrijken van de termijn in artikel 7.5.5 de aandelen leveren. De gegadigden moeten tegelijkertijd de prijs van de aandelen tegen contante betaling voldoen aan de Overdrager.
- 7.6 Aanbieding aan andere aandeelhouders: verzuim gegadigde**
- 7.6.1 Als een gegadigde in verzuim is met de betaling, kan de Overdrager de koopovereenkomst ontbinden door dit binnen vijftien (15) dagen nadat het verzuim is ingetreden mee te delen aan het bestuur. Het bestuur deelt dit onmiddellijk mee aan de gegadigde.
- 7.6.2 Als er geen andere gegadigden zijn, mag de Overdrager al zijn aangeboden aandelen (en niet een gedeelte daarvan) overdragen aan de personen die zijn genoemd in de in artikel 7.4.1 vermelde mededeling, binnen negentig (90) dagen na de mededeling in artikel 7.6.1.
- 7.6.3 Als er andere gegadigden zijn die wel hebben betaald, dan gelden de niet betaalde aandelen als aangeboden aan deze gegadigden. Het bestuur doet daarvan zo spoedig mogelijk mededeling aan de gegadigden.
- 7.6.4 Als binnen twintig (20) dagen na de mededeling in artikel 7.6.3 niet alle niet betaalde

aandelen zijn gekocht door de overige gegadigden, mag de Overdrager deze niet betaalde aandelen overdragen aan de personen die zijn genoemd in de in artikel 7.4.1 vermelde mededeling binnen negentig (90) dagen na afloop van de hiervoor genoemde twintig (20) dagen.

7.7 Aanbieding aan andere aandeelhouders: verzuim Overdrager

- 7.7.1 Als de Overdrager in verzuim is met de levering van de aandelen, is de Vennootschap onherroepelijk gemachtigd om de aandelen te leveren.
- 7.7.2 De vennootschap moet overgaan tot levering op basis van artikel 7.7.1 binnen tien (10) dagen nadat de rechthebbende op de aandelen dit aan de Vennootschap heeft verzocht.

8 BESTUUR

8.1 Benoeming, schorsing, ontslag, belet en ontstentenis

- 8.1.1 De Vennootschap wordt bestuurd door het bestuur. Als de Vennootschap een (1) aandeelhouder heeft, wordt het aantal bestuurders bepaald door de Algemene Vergadering. Als de Vennootschap meer dan een (1) aandeelhouder heeft, wordt het aantal bestuurders bepaald door het bestuur. In laatstgenoemd geval mag het bestuur bestaan uit een (1) of meer Bear Bestuurders, een (1) of meer Titan Bestuurders en een (1) of meer Onafhankelijke Bestuurders.
- 8.1.2 De Algemene Vergadering benoemt de bestuurders en mag bestuurders aanwijzen als Bear Bestuurder, respectievelijk, Titan Bestuurder of Onafhankelijke Bestuurder. De Algemene Vergadering kan bestuurders schorsen en ontslaan.
- 8.1.3 Als één of meer bestuurders ontbreken of verhinderd zijn, wordt de Vennootschap bestuurd door de overblijvende bestuurder(s). Als alle bestuurders ontbreken of verhinderd zijn, wordt de Vennootschap tijdelijk bestuurd door een persoon die daartoe door de Algemene Vergadering is aangewezen. Als alle bestuurders ontbreken, neemt deze persoon zo spoedig mogelijk de nodige maatregelen om een definitieve voorziening te treffen. Onder verhinderd wordt hier verstaan de situatie dat de bestuurder tijdelijk zijn functie niet kan uitoefenen als gevolg van:
 - (a) schorsing;
 - (b) ziekte; of
 - (c) onbereikbaarheid.

8.2 Bezoldiging

De Algemene Vergadering stelt de beloning en andere voorwaarden vast die op de bestuurders van toepassing zijn. Redelijke onkosten die door de bestuurders worden gemaakt in verband met de uitoefening van hun functie als bestuurder van de Vennootschap, worden door de Vennootschap vergoed.

8.3 Interne organisatie en besluitvorming

- 8.3.1 Het bestuur kan zijn interne aangelegenheden regelen in een schriftelijk reglement. Verder kunnen de bestuurders, al dan niet bij reglement, onder goedkeuring van de Algemene Vergadering hun werkzaamheden onderling verdelen. Daarnaast kan het bestuur titels toekennen aan individuele bestuurders.
- 8.3.2 Het bestuur vergadert wanneer een bestuurder dat nodig vindt. Het bestuur (i) wijst een Onafhankelijke Bestuurder, of als er geen Onafhankelijke Bestuurder in functie is, een van de bestuurders aan als Voorzitter, en (ii) kan een van de bestuurders aanwijzen als Vice-Voorzitter. De Voorzitter zit de bestuursvergaderingen voor. Als de Voorzitter

- afwezig is, zit de Vice-Voorzitter de bestuurdersvergadering voor. Als zowel de Voorzitter als de Vice-Voorzitter afwezig is of niet in functie is, zit een van de andere bestuurders, daartoe aangewezen door de bij de betreffende vergadering aanwezige bestuurders, de vergadering voor.
- 8.3.3 Elke bestuurder kan zich in een vergadering laten vertegenwoordigen door een andere stemgerechtigde bestuurder die daartoe schriftelijk gevolmachtigd is.
- 8.3.4 Elke bestuurder heeft recht op het uitbrengen van een (1) stem, tenzij de volgende twee zinnen, of een daarvan, van toepassing zijn. Indien twee (2) Bear Bestuurders in functie zijn, maar slechts een (1) van hen aanwezig of vertegenwoordigd is in een vergadering, dan heeft de Bear Bestuurder die aanwezig of vertegenwoordigd is het recht om twee (2) stemmen uit te brengen, mits ook ten minste twee (2) stemmen kunnen worden uitgebracht door of namens andere bestuurders. Indien twee (2) Titan Bestuurders in functie zijn, maar slechts een (1) van hen aanwezig of vertegenwoordigd is in een vergadering, dan heeft de Titan Bestuurder die aanwezig of vertegenwoordigd is het recht om twee (2) stemmen uit te brengen, mits ook ten minste twee (2) stemmen kunnen worden uitgebracht door of namens andere bestuurders.
- 8.3.5 In een bestuursvergadering kunnen slechts geldige besluiten worden genomen indien ten minste de meerderheid van de in functie zijnde stemgerechtigde bestuurders aanwezig of vertegenwoordigd is, met dien verstande dat deze meerderheid moet bestaan uit ten minste een (1) Bear Bestuurder, voor zover er Bear Bestuurders in functie zijn, en ten minste een (1) Titan Bestuurder, voor zover er Titan Bestuurders in functie zijn.
- 8.3.6 Het bestuur besluit bij volstreekte meerderheid van de uitgebrachte stemmen. Bij staking van stemmen besluit de Voorzitter, mits de Voorzitter een Onafhankelijke Bestuurder is; als de Voorzitter afwezig is of geen Onafhankelijke Bestuurder is, wordt het besluit verworpen.
- 8.3.7 Een bestuurder neemt niet deel aan de beraadslaging en besluitvorming van het bestuur als hij daarbij een direct of indirect persoonlijk belang heeft dat tegenstrijdig is met het belang van de Vennootschap en de met haar verbonden onderneming. In dat geval kwalificeert hij niet als een stemgerechtigd bestuurder ten aanzien van het betreffende onderwerp. Als hierdoor geen bestuursbesluit kan worden genomen, neemt de Algemene Vergadering het besluit.
- 8.3.8 Het bestuur kan ook buiten vergadering besluiten nemen, mits dit schriftelijk of op reproduceerbare wijze langs elektronische weg gebeurt en alle stemgerechtigde bestuurders met deze wijze van besluitvorming hebben ingestemd. De artikelen 8.3.6 en 8.3.7 zijn van overeenkomstige toepassing op de besluitvorming van het bestuur buiten vergadering.
- 8.3.9 Besluiten van het bestuur tot het, namens de Vennootschap, uitoefenen van het stemrecht in een vergadering van houders van aandelen van een bepaalde soort en met een bepaalde aanduiding in het kapitaal van HMH Netherlands, vereisen de voorafgaande goedkeuring van de vergadering van houders van aandelen van de corresponderende soort en aanduiding in het kapitaal van de Vennootschap.
- 8.3.10 Naast de besluiten van het bestuur als bedoeld in artikel 8.3.9, kan de Algemene Vergadering andere duidelijk omschreven en aan het bestuur meegedeelde bestuursbesluiten aan haar goedkeuring of aan de goedkeuring van de Bear Aandelen

Vergadering en/of de Titan Aandelen Vergadering onderwerpen. Het ontbreken van de goedkeuring van de Algemene Vergadering, de Bear Aandelen Vergadering en/of de Titan Aandelen Vergadering van een besluit van het bestuur tast de bevoegdheid van het bestuur om de Vennootschap te vertegenwoordigen niet aan.

- 8.3.11 Het bestuur kan zonder opdracht van de Algemene Vergadering geen aangifte doen tot faillietverklaring van de Vennootschap.
- 8.3.12 Het bestuur volgt de aanwijzingen van de Algemene Vergadering op, tenzij deze in strijd zijn met het belang van de Vennootschap en de met haar verbonden onderneming.

8.4 Vertegenwoordiging

- 8.4.1 De Vennootschap wordt (tegenover derden) vertegenwoordigd door het bestuur. De bevoegdheid om de Vennootschap te vertegenwoordigen berust daarnaast bij:
 - (a) twee (2) Onafhankelijke Bestuurders gezamenlijk handelend;
 - (b) een Onafhankelijke Bestuurder handelend gezamenlijk met een Bear Bestuurder of een Titan Bestuurder; of
 - (c) een Bear Bestuurder handelend gezamenlijk met een Titan Bestuurder.
- 8.4.2 Het bestuur kan aan één of meer personen, al dan niet in dienst van de Vennootschap, procuratie of op een andere wijze doorlopende vertegenwoordigingsbevoegdheid toekennen. Het bestuur kan titels toekennen aan de personen bedoeld in de vorige zin.

8.5 Auditcommissie

- 8.5.1 De Vennootschap heeft een orgaan als bedoeld in artikel 2 lid 4 van het Auditbesluit. De Auditcommissie heeft alle taken en verantwoordelijkheden als bedoeld in het Auditbesluit, en alle andere taken die op grond van het toepasselijk recht aan auditcommissies zijn toegekend.
- 8.5.2 De Algemene Vergadering bepaalt het aantal leden van de Auditcommissie, met in achtneming van het Auditbesluit. De leden van de Auditcommissie worden benoemd, geschorst en ontslagen door de Algemene Vergadering. De Algemene Vergadering kan besluiten beloning toe te kennen aan leden van de Auditcommissie.
- 8.5.3 De Auditcommissie kan, met inachtneming van het Auditbesluit, haar interne aangelegenheden regelen in een schriftelijk reglement.

9 ALGEMENE VERGADERING, VERGADERING VAN HOUDERS VAN EEN BEPAALDE SOORT AANDELEN

9.1 Jaarlijkse Algemene Vergadering

- 9.1.1 Tijdens het boekjaar van de Vennootschap wordt ten minste één Algemene Vergadering gehouden, tenzij over de onderwerpen als bedoeld in artikel 9.1.2 in overeenstemming met artikel 9.5 (*Besluiten buiten vergadering*) buiten vergadering is besloten.
- 9.1.2 De agenda voor de jaarlijkse Algemene Vergadering bevat de volgende onderwerpen:
 - (a) de behandeling van het bestuursverslag als artikel 2:391 BW voor de Vennootschap geldt;
 - (b) de vaststelling van de jaarrekening;
 - (c) de bestemming van de winst; en
 - (d) de verlening van decharge aan bestuurders die in het afgelopen boekjaar in functie waren, voor hun bestuur over dat boekjaar.
- 9.1.3 De in artikel 9.1.2 bedoelde onderwerpen hoeven niet te worden opgenomen in de agenda als de termijn voor het opmaken van de jaarrekening en, als dat van toepassing

is, voor het overleggen van het bestuursverslag is verlengd, of een voorstel daartoe op die agenda is geplaatst.

- 9.1.4 Een Algemene Vergadering wordt verder bijeengeroepen wanneer het bestuur, een aandeelhouder of een Stemgerechtigde dat nodig vindt.

9.2 Plaats en oproeping

- 9.2.1 Algemene Vergaderingen worden gehouden in de gemeente waar de Vennootschap haar zetel heeft, of in Rotterdam, Den Haag, Utrecht, Eindhoven en de gemeente Haarlemmermeer (Luchthaven Schiphol).
- 9.2.2 Vergadergerechtigden worden tot de Algemene Vergadering opgeroepen door het bestuur, een bestuurder of een Stemgerechtigde.
- 9.2.3 Oproeping vindt plaats met inachtneming van de termijn als bedoeld in artikel 2:225 BW.
- 9.2.4 Als aan één of meer van de in artikel 9.2.1 of artikel 9.2.3 bedoelde vereisten niet is voldaan, kunnen in een Algemene Vergadering alleen geldige besluiten worden genomen als alle Vergadergerechtigden ermee hebben ingestemd dat besluitvorming plaatsvindt en de bestuurders voorafgaand aan de besluitvorming in de gelegenheid zijn gesteld om advies uit te brengen.
- 9.2.5 Bij de oproeping wordt de agenda vermeld en ook de plaats en het tijdstip van de Algemene Vergadering. Artikel 9.2.4 is van overeenkomstige toepassing op besluitvorming over onderwerpen die niet in de oproeping zijn opgenomen of die niet in een aanvullende oproeping zijn aangekondigd met inachtneming van de voor oproeping gestelde termijn.

9.3 Vergaderorde

- 9.3.1 De Algemene Vergadering wordt voorgezeten door de Voorzitter of, als de Voorzitter afwezig is, door de Vice-Voorzitter. Als zowel de Voorzitter als de Vice-Voorzitter afwezig is, benoemt de Algemene Vergadering zelf haar voorzitter. De voorzitter van de Algemene Vergadering wijst een secretaris aan.
- 9.3.2 De Algemene Vergadering wordt genoteerd.
- 9.3.3 De bestuurders kunnen de Algemene Vergaderingen bijwonen en hebben als zodanig in de Algemene Vergaderingen een raadgevende stem.

9.4 Stemprocedure en volmacht

- 9.4.1 In de Algemene Vergadering geeft ieder aandeel recht op het uitbrengen van een stem. In de Algemene Vergadering kan geen stem worden uitgebracht voor aandelen die de Vennootschap of een Dochtermaatschappij houdt of waarvan de Vennootschap of een Dochtermaatschappij de certificaten houdt. De pandhouder of vruchtgebruiker van een aandeel dat de Vennootschap of een Dochtermaatschappij houdt, is echter niet van het stemrecht uitgesloten als het pandrecht of het recht van vruchtgebruik is gevestigd voordat de Vennootschap of de Dochtermaatschappij het aandeel hield. De Vennootschap of een Dochtermaatschappij kan geen stem uitbrengen voor een aandeel waarop zij een pandrecht of een recht van vruchtgebruik heeft.
- 9.4.2 Bij de vaststelling in hoeverre aandeelhouders stemmen, aanwezig of vertegenwoordigd zijn, of in hoeverre het aandelenkapitaal verschaft wordt of vertegenwoordigd is, wordt geen rekening gehouden met aandelen waarvoor geen stem kan worden uitgebracht op grond van de wet of deze statuten. Blanco stemmen, stemonthoudingen en ongeldige stemmen worden aangemerkt als niet-uitgebracht.

- 9.4.3 In een Algemene Vergadering kunnen alleen geldige besluiten worden genomen als meer dan vijftig procent (50%) van het geplaatste en uitstaande kapitaal van de Vennootschap aanwezig of vertegenwoordigd is. Als er geen besluit kan worden genomen omdat niet aan het quorumvereiste als bedoeld in de vorige zin is voldaan, wordt er een tweede Algemene Vergadering als bedoeld in artikel 2:230 lid 3 BW opgeroepen met inachtneming van artikel 2:225 BW. Onverminderd het bepaalde in artikel 2:334cc lid 1 onder d BW kunnen in deze tweede Algemene Vergadering besluiten worden genomen ongeacht het in die Algemene Vergadering aanwezige of vertegenwoordigde gedeelte van het geplaatste kapitaal.
- 9.4.4 Besluiten worden genomen bij volstreekte meerderheid van de uitgebrachte stemmen, tenzij bij de wet of deze statuten uitdrukkelijk een grotere meerderheid wordt voorgeschreven. Aandeelhouders van de Vennootschap die partij zijn bij de Aandeelhoudersovereenkomst nemen de meerderheidsvereisten voor besluiten van de Algemene Vergadering zoals in die overeenkomst uiteengezet in acht.
- 9.4.5 Als de stemmen over benoeming van personen staken, komt geen besluit tot stand. Bij staking van stemmen over andere onderwerpen is het voorstel verworpen.
- 9.4.6 Het bestuur kan besluiten dat iedere Vergaderingerechtigde door middel van een elektronisch communicatiemiddel rechtstreeks kennis kan nemen van en deel kan nemen aan de Algemene Vergadering.
- 9.4.7 Het bestuur kan besluiten dat iedere Stemgerechtigde door middel van een elektronisch communicatiemiddel in persoon of door een schriftelijk gevolmachtigde het stemrecht kan (doen) uitoefenen.
- 9.4.8 Het bestuur kan voorwaarden verbinden aan het gebruik van het elektronisch communicatiemiddel. In de oproeping worden deze voorwaarden vermeld of wordt vermeld waar deze kunnen worden geraadpleegd.
- 9.4.9 Vergaderingerechtigden kunnen zich in de Algemene Vergadering door een schriftelijk gevolmachtigde laten vertegenwoordigen.
- 9.5 Besluiten buiten vergadering**
- 9.5.1 Stemgerechtigden kunnen alle besluiten die zij in een Algemene Vergadering kunnen nemen ook buiten vergadering nemen. De bestuurders worden in de gelegenheid gesteld voorafgaand aan de besluitvorming over het voorstel advies uit te brengen.
- 9.5.2 Een besluit buiten vergadering is alleen geldig als alle Vergaderingerechtigden met deze wijze van besluitvorming hebben ingestemd en het voorstel verder schriftelijk of op reproduceerbare wijze langs elektronische weg is aangenomen zoals wordt voorgeschreven door de wet en deze statuten.
- 9.5.3 Degenen die buiten vergadering een besluit hebben genomen, stellen het bestuur meteen in kennis van het genomen besluit.
- 9.6 Vergaderingen van houders van aandelen van een bepaalde soort of aanduiding**
- 9.6.1 Een vergadering van houders van aandelen van een bepaalde soort of aanduiding wordt gehouden wanneer een besluit van die vergadering noodzakelijk is of het bestuur dat nodig vindt. Verder wordt een dergelijke vergadering gehouden als één of meer Vergaderingerechtigden die alleen of samen ten minste één honderdste van het geplaatste kapitaal aan aandelen van deze soort of aanduiding vertegenwoordigen dat nodig vinden, tenzij een zwaarwichtig belang van de Vennootschap zich daartegen verzet.

- 9.6.2 Als één of meer personen als bedoeld in artikel 9.6.1 een vergadering van houders van aandelen van een bepaalde soort of aanduiding nodig vinden, kunnen zij een verzoek daartoe doen aan het bestuur. Bij het verzoek wordt nauwkeurige opgave gedaan van de te behandelen onderwerpen. Als in dat geval de vergadering niet zo bijeen wordt geroepen dat zij binnen tien (10) dagen na het verzoek wordt gehouden, kan iedere verzoeker zelf oproepen, met inachtneming van deze statuten.
- 9.6.3 De artikelen 9.2 (*Plaats en oproeping*) tot en met 9.5 (*Besluiten buiten vergadering*) zijn van overeenkomstige toepassing op vergaderingen van houders van aandelen van een bepaalde soort of aanduiding en de besluiten die door die vergaderingen genomen kunnen worden. De oproeping vindt niet later plaats dan op de zesde dag voor de vergadering.
- 9.6.4 Zolang geen stemrecht kan worden uitgeoefend in de vergadering van aandelen van een bepaalde soort of aanduiding, komen de aan die vergadering verbonden rechten toe aan de Algemene Vergadering.

10 BOEKJAAR, JAARSTUKKEN EN ACCOUNTANT

10.1 Boekjaar en jaarstukken

- 10.1.1 Het boekjaar is gelijk aan het kalenderjaar.
- 10.1.2 Jaarlijks binnen vijf maanden na afloop van elk boekjaar maakt het bestuur een jaarrekening op en legt zij deze voor de Vergaderingerechtigden ter inzage op het kantoor van de Vennootschap. Op grond van bijzondere omstandigheden kan de Algemene Vergadering deze termijn verlengen met ten hoogste vijf maanden. Zolang effecten van de Vennootschap zijn toegelaten tot de handel op een gereguleerde markt als bedoeld in de Wet op het financieel toezicht maakt het bestuur, in afwijking van de vorige twee zinnen, jaarlijks binnen vier maanden na afloop van elk boekjaar een jaarrekening op en legt zij deze voor de Vergaderingerechtigden ter inzage op het kantoor van de Vennootschap; deze termijn kan niet worden verlengd.
- 10.1.3 Als de in artikel 10.2 (*Accountant*) bedoelde opdracht aan een accountant is verleend, wordt de verklaring van de accountant bij de jaarrekening gevoegd. Daarnaast wordt het bestuursverslag bij de jaarrekening gevoegd, tenzij artikel 2:391 BW niet voor de Vennootschap geldt. Ook worden de in artikel 2:392 lid 1 BW bedoelde overige gegevens bijgevoegd, voor zover het in dat lid bepaalde op de Vennootschap van toepassing is.
- 10.1.4 Alle bestuurders ondertekenen de jaarrekening; ontbreekt een ondertekening, dan wordt daarvan melding gemaakt onder opgaaf van de reden.
- 10.1.5 De Algemene Vergadering stelt de jaarrekening vast.
- 10.1.6 Artikel 2:210 lid 5 BW is op de vaststelling van de jaarrekening niet van toepassing.

10.2 Accountant

- 10.2.1 De Vennootschap kan een accountant als bedoeld in artikel 2:393 BW de opdracht verlenen om de door het bestuur opgemaakte jaarrekening te onderzoeken in overeenstemming met lid 3 van dat artikel. Als de wet dat verlangt, moet de Vennootschap deze opdracht verlenen.
- 10.2.2 De Algemene Vergadering verleent de opdracht aan de accountant. Verleent de Algemene Vergadering de opdracht niet, dan verleent het bestuur de opdracht.
- 10.2.3 De Algemene Vergadering en degene die de opdracht heeft verleend kunnen de aan de accountant verleende opdracht intrekken. Intrekking van de opdracht kan alleen om

gegronde redenen en met inachtneming van artikel 2:393 lid 2 BW.

- 10.2.4 De accountant brengt over zijn onderzoek verslag uit aan de Auditcommissie en aan het bestuur en geeft de uitslag van zijn onderzoek weer in een verklaring over de getrouwheid van de jaarrekening.

11 RESULTATEN, RESERVES EN UITKERINGEN

11.1 Resultaten

- 11.1.1 De Resultaten worden als volgt verdeeld:

- (a) de Bear Aandelen A Resultaten;
- (b) de Bear Aandelen B Resultaten;
- (c) de Titan Aandelen A Resultaten; en
- (d) de Titan Aandelen B Resultaten.

De verdeling van de Resultaten zal worden opgenomen en verwerkt in de jaarrekening zoals vastgesteld door de Algemene Vergadering of, in een voorkomend geval, in tussentijdse vermogensopstellingen, tenzij de Algemene Vergadering met unanieme stemmen anders besluit. Op verzoek van een aandeelhouder zal het bestuur de verzoekende aandeelhouder binnen een redelijke termijn voorzien van de actuele verdeling van de Resultaten.

- 11.1.2 Bij het opstellen van de jaarrekening zal het bestuur de Resultaten bepalen na belastingen.

11.2 Reserves

- 11.2.1 De Vennootschap kan voor de Bear Aandelen A, de Bear Aandelen B, de Titan Aandelen A en de Titan Aandelen B een afzonderlijke agioreserve aanhouden. Iedere storting (in geld of in natura) op een aandeel die het nominale bedrag van dat aandeel te boven gaat, wordt toegevoegd aan de agioreserve die wordt aangehouden voor het aandeel waarop de storting wordt gedaan. De aandelen waarvoor een agioreserve wordt aangehouden, geven bij uitsluiting recht op de betreffende agioreserve.

- 11.2.2 Het bestuur houdt een zodanige administratie aan dat te allen tijde kan worden vastgesteld welk bedrag van een agioreserve kan worden toegekend aan elk afzonderlijk aandeel dat recht geeft op de betreffende agioreserve.

- 11.2.3 Naast de andere reserves houdt de Vennootschap een winstreserve aan voor:

- (a) de Bear Aandelen A, waartoe de Bear Aandelen A bij uitsluiting recht geven;
- (b) de Bear Aandelen B, waartoe de Bear Aandelen B bij uitsluiting recht geven;
- (c) de Titan Aandelen A, waartoe de Titan Aandelen A bij uitsluiting recht geven; en
- (d) de Titan Aandelen B, waartoe de Titan Aandelen B bij uitsluiting recht geven.

Waar deze statuten verwijzen naar winstreserves, worden bovengenoemde winstreserves bedoeld, tenzij uitdrukkelijk anders is bepaald.

- 11.2.4 Het bestuur houdt aantekening van de bedragen die worden gedebiteerd of gecrediteerd aan:

- (a) de Bear Aandelen A Winstreserve, met betrekking tot elk afzonderlijk Bear Aandeel A;
- (b) de Bear Aandelen B Winstreserve, met betrekking tot elk afzonderlijk Bear Aandeel B;
- (c) de Titan Aandelen A Winstreserve, met betrekking tot elk afzonderlijk Titan Aandeel A; en

- (d) de Titan Aandelen B Winstreserve, met betrekking tot elk afzonderlijk Titan Aandeel B.
- 11.2.5 Na vaststelling van de jaarrekening als bedoeld in artikel 10.1.5 kan het bestuur besluiten de Resultaten zoals blijken uit de jaarrekening geheel of gedeeltelijk te reserveren.
- 11.2.6 De Resultaten die resteren na toepassing van artikel 11.2.5 worden als volgt toegerekend:
 - (a) de resterende Bear Aandelen A Resultaten worden gecrediteerd aan de Bear Aandelen A Winstreserve;
 - (b) de resterende Bear Aandelen B Resultaten worden gecrediteerd aan de Bear Aandelen B Winstreserve;
 - (c) de resterende Titan Aandelen A Resultaten worden gecrediteerd aan de Titan Aandelen A Winstreserve; en
 - (d) de resterende Titan Aandelen B Resultaten worden gecrediteerd aan de Titan Aandelen B Winstreserve.
- 11.2.7 Het bestuur kan, met goedkeuring van de vergadering van de houders van aandelen die recht geven op de betreffende winstreserve, besluiten tussentijds een specifieke winstreserve te crediteren of te debiteren. Het bedrag van de creditering of debitering is gelijk aan een evenredig deel, berekend tot en met de datum van het besluit van het bestuur als bedoeld in de eerste zin, van de totale Bear Aandelen A Resultaten, de Bear Aandelen B Resultaten, de Titan Aandelen A Resultaten en/of Titan Aandelen B Resultaten, al naargelang het geval, dat overeenkomstig artikel 11.2.6 zal worden gecrediteerd of gedebiteerd bij de vaststelling van de jaarrekening over het relevante boekjaar, zoals in redelijkheid voorspeld door het bestuur. Enig bedrag dat overeenkomstig dit artikel 11.2.7 tussentijds wordt gecrediteerd of gedebiteerd zal worden verrekend met het totale bedrag waarmee de relevante winstreserve overeenkomstig artikel 11.2.6 wordt gecrediteerd of gedebiteerd bij de vaststelling van de jaarrekening over het betreffende boekjaar.
- 11.3 Uitkeringen**
 - 11.3.1 Voor zover het eigen vermogen van de Vennootschap groter is dan het totale bedrag van de reserves als bedoeld in artikel 2:216 lid 1 BW, kan de Algemene Vergadering, op voorstel van het bestuur en met goedkeuring van de vergadering van houders van aandelen die recht geven op de specifieke reserve, besluiten over een uitkering uit:
 - (a) een specifieke agioreserve als bedoeld in artikel 11.2.1; en/of
 - (b) een specifieke winstreserve als bedoeld in artikel 11.2.3.
 Een besluit tot uitkering uit een reserve behoeft de goedkeuring van het bestuur. Het bestuur weigert slechts de goedkeuring indien het weet of redelijkerwijs behoort te voorzien dat de Vennootschap na de uitkering niet zal kunnen blijven voortgaan met het betalen van haar opeisbare schulden.
 - 11.3.2 Een uitkering op een of meer aandelen ten laste van een reserve waarop die aandelen bij uitsluiting recht geven kan uitsluitend plaatsvinden voor zover het totaal aan rechten op agioreserves en winstreserves ter zake van de aandelen van de betreffende soort een positief saldo vertoont.
 - 11.3.3 Bij de berekening van de verdeling van een uitkering tellen de aandelen die de Vennootschap in haar kapitaal houdt of waarvan zij de certificaten houdt niet mee. In

afwijking van de vorige zin tellen deze aandelen wel mee als op deze aandelen een pandrecht of een recht van vruchtgebruik rust of voor deze aandelen certificaten zijn uitgegeven ten gevolge waarvan het recht op uitkering toekomt aan de pandhouder, de vruchtgebruiker of de certificaathouder.

- 11.3.4 Een uitkering ten laste van een reserve kan slechts worden gedaan op aandelen die overeenkomstig artikel 11.2.1 en 11.2.3 gerechtigd zijn tot de betreffende reserve, en geschiedt in verhouding tot de gerechtigdheid van het individuele aandeel tot het saldo van de desbetreffende reserve op het moment van de uitkering, tenzij anders is bepaald bij besluit van de vergadering van houders van aandelen die gerechtigd zijn tot die specifieke reserve. Bij de berekening van het bedrag dat op ieder aandeel zal worden uitgekeerd, wordt alleen het bedrag van de verplichte stortingen op het nominale bedrag van de aandelen in aanmerking genomen. Van de vorige zin kan telkens met instemming van alle aandeelhouders worden afgeweken.
- 11.3.5 Uitkeringen zijn opeisbaar vier weken na vaststelling, tenzij de Algemene Vergadering op voorstel van het bestuur een andere datum bepaalt.
- 11.3.6 De Algemene Vergadering kan, met goedkeuring van de vergadering van houders van aandelen die recht geven op de betreffende reserve, besluiten dat uitkeringen geheel of gedeeltelijk in een andere vorm dan in geld worden uitgekeerd.

12 BIJZONDERE BESLUITEN EN ONTBINDING

12.1 Statutenwijziging, juridische fusie, juridische splitsing en ontbinding

De Algemene Vergadering kan, uitsluitend op voorstel van het bestuur, besluiten tot statutenwijziging, een juridische fusie of juridische splitsing waarbij de Vennootschap betrokken is, of ontbinding van de Vennootschap, onverminderd de artikelen 2:331 BW en 2:334ff BW en het vereiste van goedkeuring van de vergadering van houders van een bepaalde soort of instemming als dit uit de wet voortvloeit.

12.2 Vereffening

- 12.2.1 Als de Vennootschap wordt ontbonden als gevolg van een besluit van de Algemene Vergadering en haar vermogen moet worden vereffend, worden de bestuurders vereffenaars, tenzij het bestuur voorafgaand aan of gelijktijdig met het besluit van de Algemene Vergadering tot ontbinding van de Vennootschap één of meer andere vereffenaars benoemt.
- 12.2.2 De Algemene Vergadering stelt de beloning van de vereffenaars vast.
- 12.2.3 De vereffening vindt plaats met inachtneming van de wettelijke bepalingen, deze statuten en de Aandeelhoudersovereenkomst. Tijdens de vereffening blijven deze statuten en de Aandeelhoudersovereenkomst voor zover mogelijk van kracht.
- 12.2.4 Wat na voldoening van alle schulden van het vermogen van de Vennootschap is overgebleven, wordt in overeenstemming met artikel 11.2.7 toegevoegd aan de reserves als bedoeld in artikel 11.2.1. Vervolgens worden de saldi van de betreffende reserves uitgekeerd op de aandelen die recht geven op de betreffende reserves, vermeerderd met de op die aandelen gestorte nominale waarde.
- 12.2.5 Nadat de Vennootschap heeft opgehouden te bestaan, worden haar boeken, bescheiden en andere gegevensdragers gedurende zeven (7) jaar bewaard door degene die daartoe door de vereffenaars of bij ontbreken van vereffenaars door het bestuur is aangewezen.

DE BRAUW
BLACKSTONE
WESTBROEK

ARTICLES OF ASSOCIATION

of:

HMH Holding B.V.

with corporate seat in Amsterdam

dated 22 October 2024

1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

In these articles of association:

"Audit Decree" means the Decree establishment audit committee (*Bestuit instelling auditcommissie*) as it reads from time to time;

"Audit Committee" means the corporate body referred to in the first sentence of article 8.5.1;

"Bear Director" means a managing director designated as Bear Director in accordance with article 8.1.2;

"Bear Shares" means the Bear Shares A and the Bear Shares B jointly;

"Bear Shares A" means the Shares A indicated as Bear Shares A;

"Bear Shares A Meeting" means the meeting of holders of Bear Shares A;

"Bear Shares A Profit Reserve" means the profit reserve referred to in article 11.2.4(a);

"Bear Shares A Results" means the results of the Company that are attributable to the HMH Netherlands Bear Shares A held by the Company, or any shares that have substituted all or part of those shares;

"Bear Shares B" means the Shares B indicated as Bear Shares B;

"Bear Shares B Meeting" means the meeting of holders of Bear Shares B;

"Bear Shares B Profit Reserve" means the profit reserve referred to in article 11.2.4(b);

"Bear Shares B Results" means the results of the Company that are attributable to the HMH Netherlands Bear Shares B held by the Company, or any shares that have substituted all or part of those shares;

"Bear Shares Meeting" means the meeting of holders of Bear Shares, being the Bear Shares A Meeting and Bear Shares B Meeting jointly;

"BW" means the Dutch Civil Code (*Burgerlijk Wetboek*);

"Chairperson" means the managing director designated as Chairperson by the management board in accordance with article 8.3.2;

"Company" means the private limited liability company organised as set out in these articles of association;

"Deputy Chairperson" means the managing director designated as Deputy Chairperson by the management board in accordance with article 8.3.2;

"General Meeting" means the corporate body that consists of all Persons Entitled to Vote, or the meeting in which Persons Entitled to Attend General Meetings assemble;

"HMH Netherlands" means HMH Holding (Netherlands) B.V., a private limited liability company, with corporate seat in Amsterdam, the Netherlands, and any of its legal successors under universal title;

"HMH Netherlands Bear Shares A" means the class A shares indicated as Bear Shares

A in the share capital of HMH Netherlands;

"HMH Netherlands Bear Shares B" means the class B shares indicated as Bear Shares B in the share capital of HMH Netherlands;

"HMH Netherlands Titan Shares A" means the class A shares indicated as Titan Shares A in the share capital of HMH Netherlands;

"HMH Netherlands Titan Shares B" means the class B shares indicated as Bear Shares B in the share capital of HMH Netherlands;

"Independent Director" means a managing director designated as Independent Director in accordance with article 8.1.2;

"Meeting Rights" means the right to attend and speak at the General Meeting or, in the case of a meeting of holders of shares of a specific class or indication, the meeting of holders of those shares, either in person or by a proxy authorised in writing;

"Ownership Requirement" means the ownership requirement referred to in article 3.2.1, first sentence;

"Persons Entitled to Attend General Meetings" means shareholders, pledgees with Meeting Rights, and usufructuaries with Meeting Rights;

"Persons Entitled to Vote" means shareholders with voting rights at the General Meeting, pledgees with voting rights at the General Meeting, and usufructuaries with voting rights at the General Meeting, or where the meeting of holders of shares of a specific class or indication adopts resolutions, with voting rights at that meeting;

"Results" means the Bear Shares A Results, the Bear Shares B Results, the Titan Shares A Results and the Titan Shares B Results;

"Shareholders' Agreement" means the shareholders' agreement in relation to the Company initially entered into by the Company's shareholders on the first day of October two thousand and twenty-one and as amended and restated on the eighth day of February two thousand and twenty-four, as amended from time to time, and which agreement is deposited at the Company's offices (i) for full inspection by the Company's shareholders and managing directors, and (ii) for full or partial inspection, at the discretion of the management board, by third parties if and insofar as, in the opinion of the management board, this is reasonably in the interest of understanding the Company's organisation. Third parties that are not a party to the Shareholders' Agreement cannot derive any rights from and have no obligations under said agreement or any provisions of these articles of association arising from the Shareholders' Agreement;

"Shares A" means class A ordinary shares in the Company's share capital, comprising the Bear Shares A and the Titan Shares A;

"Shares A Meeting" means the meeting of holders of Shares A;

"Shares B" means class B ordinary shares in the Company's share capital, comprising the Bear Shares B and the Titan Shares B;

"Shares B Meeting" means the meeting of holders of Shares B;

"Subsidiary" means a subsidiary as referred to in article 2:24a BW;

"Titan Director" means a managing director designated as Titan Director in accordance with article 8.1.2;

"Titan Shares" means the Titan Shares A and the Titan Shares B jointly;

"Titan Shares A" means the Shares A indicated as Titan Shares A;

"**Titan Shares A Meeting**" means the meeting of holders of Titan Shares A;
 "**Titan Shares A Profit Reserve**" means the profit reserve referred to in article 11.2.4(c);
 "**Titan Shares A Results**" means the results of the Company that are attributable to the HMH Netherlands Titan Shares A held by the Company, or any shares that have substituted all or part of those shares;
 "**Titan Shares B**" means the Shares B indicated as Titan Shares B;
 "**Titan Shares B Meeting**" means the meeting of holders of Titan Shares B;
 "**Titan Shares B Profit Reserve**" means the profit reserve referred to in article 11.2.4(d);
 "**Titan Shares B Results**" means the results of the Company that are attributable to the HMH Netherlands Titan Shares B held by the Company, or any shares that have substituted all or part of those shares;
 "**Titan Shares Meeting**" means the meeting of holders of Titan Shares, being the Titan Shares A Meeting and Titan Shares B Meeting jointly; and
 "**Transferor**" a shareholder who wants to transfer or shall offer his shares.

1.2 Interpretation

- 1.2.1 The management board, the Audit Committee, the General Meeting, the Shares A Meeting, the Shares B Meeting, the Bear Shares Meeting, the Titan Shares Meeting, the Bear Shares A Meeting, the Titan Shares A Meeting, the Bear Shares B Meeting and the Titan Shares B Meeting each constitute a distinct body of the Company.
- 1.2.2 The Shares A and the Shares B each form a separate class of shares in the Company's share capital. The Bear Shares A, the Titan Shares A, the Bear Shares B and the Titan Shares B each constitute shares of a specific indication (*aanduiding*).
- 1.2.3 Wherever in these articles of association reference is made to the meeting of holders of shares of a particular class or indication this shall be understood to mean the body of the Company consisting of the person or persons to whom, as a holder of shares of the relevant class or indication or otherwise, voting rights attached to shares of the relevant class or indication accrue, or (as the case may be) a meeting of such persons (or their representatives).
- 1.2.4 References to "articles" refer to articles that are part of these articles of association, except where expressly indicated otherwise.
- 1.2.5 References to one gender include all genders and references to the singular include the plural and vice versa.

2 NAME, SEAT AND OBJECTS

2.1 Name and seat

- 2.1.1 The name of the Company is: **HMH Holding B.V.**
- 2.1.2 The Company's seat is in Amsterdam.

2.2 Objects

The objects of the Company are:

- (a) to incorporate, to in any manner participate or take any other interest in, to manage and to supervise businesses and companies of whatever nature;
- (b) to give advice and to provide services to businesses and companies with which the Company is affiliated;
- (c) to finance businesses and companies with which the Company is affiliated;
- (d) to borrow and to raise funds, including the issuing of bonds, debentures or other

- securities, and to enter into related agreements; and
- (e) to issue guarantees, to commit the Company and to encumber the assets of the Company for the benefit of businesses, companies and other legal entities with which the Company is affiliated in a group and for the benefit of third parties, as well as any and all things that are related or may be conducive to the above, all of this in the broadest sense of the word.

3 CAPITAL, OWNERSHIP REQUIREMENT AND ISSUE OF SHARES

3.1 Capital and shares

3.1.1 The share capital of the Company consists of:

- (a) one or more Shares A with a nominal value of one euro (EUR 1) each, which shares have the following indication (*aanduiding*) and numbering:
- (i) Bear Shares A, which are numbered from Bear A1 onwards; or
 - (ii) Titan Shares A, which are numbered from Titan A1 onwards; and
- (b) one or more Shares B with a nominal value of one euro (EUR 1) each, which shares have the following indication (*aanduiding*) and numbering:
- (i) Bear Shares B, which are numbered from Bear B1 onwards; or
 - (ii) Titan Shares B, which are numbered from Titan B1 onwards.

3.1.2 Shares are in registered form. No share certificates are issued.

3.2 Ownership requirement

- 3.2.1 Unless the Company has a sole shareholder, shareholders, other than the Company or a Subsidiary, may only be persons who are a party to or have adhered to the Shareholders' Agreement. In deviation from the preceding sentence, shareholders may also be those persons who have been exempted from fulfilling the Ownership Requirement by a resolution of the General Meeting.
- 3.2.2 If and as long as a shareholder fails to fulfil and is not exempted by the General Meeting from fulfilling the Ownership Requirement, the Meeting Rights and the voting rights attached to the shareholder's shares and the rights to receive dividends, payments, repayments or any other distributions from the Company on such shares shall be suspended.
- 3.2.3 The suspension of Meeting Rights and voting rights referred to in article 3.2.2 ends if the effect of the suspension is that voting rights cannot be exercised on any of the shares. Furthermore, the suspension of all rights referred to in article 3.2.2 ends in respect of a pledged share if and for as long as the voting right attached to that pledged share can be exercised by the pledgee following a transfer of the voting right in accordance with article 6.2.2.
- 3.2.4 If and as long as a shareholder fails to fulfil and is not exempted by the General Meeting from fulfilling the Ownership Requirement, the shareholder concerned must request the Company to designate one (1) or more prospective purchasers for all of his shares. The Company shall be required to, within three (3) months of receipt of the request referred to in the preceding sentence, designate one (1) or more persons who do fulfil or have been exempted from fulfilling the Ownership Requirement and who are willing and able to purchase all the shares held by the requesting person. The shareholder and the designated prospective purchaser(s) shall determine the price of the shares. Failing such agreement, the price shall be determined by an independent expert to be appointed by

the designated prospective purchaser(s) and the shareholder by mutual agreement. If the designated prospective purchaser(s) and the shareholder do not reach agreement on the appointment of an independent expert within twenty (20) days after the start of the discussions, each of the prospective purchaser(s) and the shareholder have the right to defer to the chairman of the Royal Dutch Association of Civil-law Notaries (*Koninklijke Notariële Beroepsorganisatie*) to appoint an expert.

3.2.5 If a designation, as referred to in the second sentence of article 3.2.4, is not made or not made in due time, or if due to circumstances beyond his control, not all the shares are purchased from the requesting person, such shareholder:

- (a) shall be irrevocably exempted from the Ownership Requirement and the suspension of the shareholders' rights referred to in article 3.2.2 shall end; and
- (b) must offer all of his (remaining) shares to one (1) or more persons who do fulfil or have been exempted from fulfilling the Ownership Requirement in accordance with article 7.3.

3.2.6 If a shareholder does not submit a request as referred to in the first sentence of article 3.2.4 within three (3) months after he ceased to comply with, without being exempted from, the Ownership Requirement, or if a shareholder who must offer his shares in accordance with article 3.2.5(b) has not made the offer as referred to in article 7.3 within one (1) month from the moment the exemption referred to in article 3.2.5(a) entered into effect, the Company is irrevocably authorised to, within one (1) month, designate one (1) or more prospective purchasers for all of such shareholder's shares and to transfer the shares.

3.3 Issue of shares

- 3.3.1 The management board resolves on the issue of shares and determines the issue price, as well as the other terms and conditions of the issue.
- 3.3.2 Article 3.3.1 applies equally if rights to subscribe for shares are granted, but not if shares are issued to a person exercising a right to subscribe for shares.
- 3.3.3 Shares may not be issued at an issue price below the nominal value of the shares.
- 3.3.4 Shares are issued by notarial deed.

3.4 Pre-emptive rights

Subject to the provisions in the Shareholders' Agreement, which shall be complied with, a shareholder has no pre-emptive rights if shares are issued or rights to subscribe for shares are granted.

4 OWN SHARES AND CAPITAL REDUCTION

4.1 Acquisition and disposal of own shares

- 4.1.1 The management board resolves on the acquisition by the Company of fully paid-up shares or depositary receipts for fully paid-up shares. Acquisition by the Company of not fully paid-up shares or depositary receipts for not fully paid-up shares is void.
- 4.1.2 Article 3.3.1 equally applies if the Company disposes of own shares, except that the disposal may be made at a price below the nominal value of the shares. The share transfer restrictions referred to in article 7.2 (*Transfer of shares in accordance with the Shareholders' Agreement*) will not apply.

4.2 Capital reduction

- 4.2.1 The General Meeting may resolve to reduce the issued share capital.

- 4.2.2 The issued share capital may be reduced by an amendment of the articles of association reducing the nominal value of shares or by cancelling shares.

5 SHAREHOLDERS REGISTER, NOTICES OF MEETINGS AND NOTIFICATIONS

5.1 Shareholders register

- 5.1.1 The management board shall keep a shareholders register as referred to in article 2:194 BW.
- 5.1.2 The management board shall make the shareholders register available at the Company's office for inspection by the Persons Entitled to Attend General Meetings.

5.2 Notices of meetings and notifications

- 5.2.1 Notices of meetings and notifications to Persons Entitled to Attend General Meetings must be in writing and sent to the addresses stated in the shareholders register. If a Person Entitled to Attend General Meetings consents, notices of meetings and notifications may be sent to that person by email.
- 5.2.2 Notifications to the management board must be in writing and sent to the Company's address, or by email to the address provided for this purpose.

6 DEPOSITARY RECEIPTS FOR SHARES AND LIMITED RIGHTS TO SHARES

6.1 Depositary receipts for shares

Meeting Rights may not be attached to depositary receipts for shares.

6.2 Right of pledge

- 6.2.1 Shares may be pledged.
- 6.2.2 The pledgee has the voting rights attached to pledged shares if this was agreed in writing when the right of pledge was created or at a later date and the pledgee is a person to whom the shares can be freely transferred or if the General Meeting has approved the grant of voting rights and - if another person succeeds to the rights of the pledgee - the transfer of the voting rights.
- 6.2.3 Only pledgees with voting rights have Meeting Rights. Shareholders who do not have voting rights as a result of a share pledge, do have Meeting Rights.

7 TRANSFER OF SHARES AND SHARE TRANSFER RESTRICTIONS

7.1 Transfer of shares

- 7.1.1 The transfer of shares or of a right of usufruct on shares, the creation or release of a right of usufruct on shares, and the creation of a right of pledge on shares must be effected by notarial deed. The transfer of depositary receipts for shares and the release of a right of pledge on shares may be effected by private instrument. The pledgee and the pledgor must inform the Company of the release of a right of pledge.
- 7.1.2 The provisions of articles 7.2 up to and including article 7.7 apply to a transfer of shares. In deviation from the preceding sentence, the provisions of articles 7.2 up to and including article 7.7 and article 2:195 BW do not apply to a transfer of shares in the context of the enforcement of a right of pledge on such shares in accordance with article 3:248 BW.

7.2 Transfer of shares in accordance with the Shareholders' Agreement

The transfer of one or more shares by a shareholder who is a party to the Shareholders' Agreement may only take place in accordance with the Shareholders' Agreement. Such a transfer of shares is not subject to the share transfer restrictions as referred to in articles 7.3 through 7.7 or article 2:195 BW.

7.3 Transfer of shares not in accordance with the Shareholders' Agreement

- 7.3.1 A shareholder who wishes to transfer one or more shares but who is not or no longer a party to the Shareholders' Agreement, shall first offer his shares to the other shareholders; the Company is only designated as a shareholder if the Transferor agrees to this. The restrictions and rules referred to in article 7.4 through article 7.7 apply.
- 7.3.2 Article 7.3.1 does not apply to a transfer of shares to a designated prospective purchaser in accordance with article 3.2.4 or article 3.2.6.

7.4 Offer to the other shareholders: procedure

- 7.4.1 A Transferor notifies the management board that he wants to transfer shares. In this notification, the Transferor shall indicate:
- (a) the number of shares he wants to transfer;
 - (b) the class and/or indication and reference of those shares, if applicable; and
 - (c) the persons who he wants to transfer those shares to.
- 7.4.2 The management board ensures that the other shareholders are notified of the Transferor's offer within seven (7) days of receiving the notification referred to in article 7.4.1.
- 7.4.3 The Transferor and the other shareholders are then given the opportunity to consult each other about the purchase of the shares and the price. As soon as they reach agreement, a purchase agreement will be concluded. If they do not reach agreement within twenty (20) days, articles 7.5 through 7.7 will apply.

7.5 Offer to the other shareholders: determining the price

- 7.5.1 The Transferor and the management board shall consult each other to designate an independent expert. If they fail to reach agreement on this, the independent expert will be designated by the chairman of the Royal Dutch Association of Civil-law Notaries (*Koninklijke Notariële Beroepsorganisatie*). The independent expert determines the price of the shares.
- 7.5.2 Within ten (10) days of the independent expert's notification of the price to the Transferor and the management board, the management board notifies the other shareholders. In this notification, the management board shall indicate:
- (a) the Transferor's name;
 - (b) the persons who the Transferor wants to transfer the shares to;
 - (c) the number of shares the Transferor wants to transfer;
 - (d) the class and reference of those shares, if applicable; and
 - (e) the price determined by the independent expert.
- 7.5.3 Shareholders who want to purchase shares shall notify the management board of their intention, specifying the number of shares they want to purchase, within thirty (30) days of receiving the notification referred to in article 7.5.2.
- 7.5.4 Ten (10) days after the period referred to in article 7.5.3 has expired, the management board notifies the Transferor whether there are any prospective purchasers among the other shareholders and how many shares they would like to purchase.
- 7.5.5 After the management board's notification referred to in article 7.5.4, the Transferor has thirty (30) days to decide whether to sell his shares to the prospective purchasers.
- 7.5.6 The costs of determining the price are paid by the Transferor.
- 7.5.7 If the Transferor does not withdraw his offer, and if there are prospective purchasers for

all the shares that are on offer, a purchase agreement will be concluded.

- 7.5.8 If the other shareholders are unwilling to purchase all the shares that are on offer, the Transferor may transfer all the shares, within ninety (90) days, to the persons referred to in the notification as referred to in article 7.5.1, for at least the same price and subject to the same conditions on which the other shareholders could have purchased the shares.
- 7.5.9 The Transferor shall transfer the shares within twenty (20) days after the expiry of the period referred to in article 7.5.5. The prospective purchasers shall simultaneously pay the price of the shares in cash to the Transferor.
- 7.6 Offer to the other shareholders: default of prospective purchaser**
- 7.6.1 If a prospective purchaser has defaulted on payment, the Transferor may terminate the purchase agreement by notifying the management board within fifteen (15) days from when the default began. The management board immediately notifies the prospective purchaser of this fact.
- 7.6.2 If there are no other prospective purchasers, the Transferor may, within ninety (90) days of the notification in article 7.6.1, transfer all his offered shares (and not some of them) to the persons indicated in the notification referred to in article 7.4.1.
- 7.6.3 If there are other prospective purchasers who did pay, the unpaid shares will be deemed to have been offered to those prospective purchasers. The management board shall notify the prospective purchasers of this fact as soon as possible.
- 7.6.4 If not all unpaid shares have been purchased by the prospective purchasers within twenty (20) days of the notification referred to in article 7.6.3, the Transferor may transfer those unpaid shares to the persons indicated in the notification referred to in article 7.4.1 within ninety (90) days of the end of the twenty-day period mentioned above.
- 7.7 Offer to the other shareholders: default of Transferor**
- 7.7.1 If the Transferor defaults on the transfer of the shares, the Company is irrevocably authorised to transfer the shares.
- 7.7.2 The Company shall proceed to transfer the shares on the basis of article 7.7.1 within ten (10) days after the right holder to the shares makes such a request to the Company.

8 MANAGEMENT

8.1 Appointment, suspension, dismissal, inability to act and vacancy

- 8.1.1 The Company is managed by the management board. If the Company has one (1) shareholder, the number of managing directors is determined by the General Meeting. If the Company has more than one (1) shareholder, the number of managing directors is determined by the management board. In the latter instance, the management board may consist of one (1) or more Bear Directors, one (1) or more Titan Directors and one (1) or more Independent Directors.
- 8.1.2 The General Meeting appoints the managing directors and may designate managing directors as Bear Directors, Titan Directors and Independent Directors, respectively. The General Meeting may suspend and dismiss managing directors.
- 8.1.3 If any managing director positions are vacant or any managing directors are unable to act, the remaining managing director or directors shall manage the Company. If all managing director positions are vacant or all managing directors are unable to act, a person designated for that purpose by the General Meeting shall temporarily manage the Company. If all managing director positions are vacant, that person shall as soon as

possible take the necessary measures to make definitive arrangements. "Unable to act" means a managing director is temporarily unable to perform his duties as a result of:

- (a) suspension;
- (b) illness; or
- (c) inaccessibility.

8.2 Remuneration

The General Meeting determines the remuneration and other terms which apply to the managing directors. Reasonable out-of-pocket costs incurred by the managing directors in connection with the performance of their duties as a managing director of the Company will be reimbursed by the Company.

8.3 Internal organisation and adoption of resolutions

- 8.3.1 The management board may adopt written rules governing its internal proceedings. Subject to the approval of the General Meeting, the managing directors may also divide their duties, in rules or otherwise. Furthermore, the management board may grant titles to individual managing directors.
- 8.3.2 The management board meets whenever a managing director deems it necessary. The management board (i) designates an Independent Director, or if no Independent Director is in office, one of the managing directors as Chairperson, and (ii) may designate one of the managing directors as Deputy Chairperson. The Chairperson presides the management board meetings. If the Chairperson is absent, the Deputy Chairperson shall preside. If both the Chairperson and the Deputy Chairperson are absent or not in office, one of the other managing directors, designated for that purpose by the managing directors present at the meeting concerned, shall preside.
- 8.3.3 All managing directors may be represented at a meeting by another managing director who is entitled to vote and who has been authorised in writing.
- 8.3.4 Each managing director has the right to cast one (1) vote, unless the following two (2) sentences, or either of them, apply. If two (2) Bear Directors are in office, but only one (1) of them is present or represented at a meeting, the Bear Director present or represented shall be entitled to cast two (2) votes, provided that at least two (2) votes can also be cast by or on behalf of other managing directors. If two (2) Titan Directors are in office, but only one (1) of them is present or represented at a meeting, the Titan Director present or represented shall be entitled to cast two (2) votes, provided that at least two (2) votes can also be cast by or on behalf of other managing directors.
- 8.3.5 Resolutions can only be validly adopted at a management board meeting if at least the majority of the managing directors in office and entitled to vote is present or represented, provided that, such majority comprises at least one (1) Bear Director, to the extent any Bear Directors are in office, and at least one (1) Titan Director, to the extent any Titan Directors are in office.
- 8.3.6 The management board adopts its resolutions by an absolute majority of votes cast. In a tie vote, the Chairperson will decide, provided that the Chairperson is an Independent Director; if the Chairperson is absent or is not an Independent Director, the resolution will be rejected.
- 8.3.7 If a managing director has a direct or indirect personal conflict of interest with the Company and its business, he may not participate in the management board's

deliberations and decision-making on that subject and does not qualify as a managing director entitled to vote on the subject. If no resolution of the management board can be adopted as a result, the General Meeting adopts the resolution.

- 8.3.8 The management board may also adopt resolutions without holding a meeting, provided that these resolutions are adopted in writing or by reproducible electronic communication and all managing directors entitled to vote have consented to adopting the resolution outside a meeting. Articles 8.3.6 and 8.3.7 equally apply to adoption by the management board of resolutions without holding a meeting.
- 8.3.9 Resolutions of the management board to, on behalf of the Company, exercise voting rights on shares in a meeting of holders of shares of a particular class and with a particular indication in the share capital of HMH Netherlands, require the prior approval of the meeting of holders of shares of the corresponding class and indication in the Company's share capital.
- 8.3.10 In addition to the management board resolutions referred to in article 8.3.9, the General Meeting may make other management board resolutions subject to its approval or the approval of the Bear Shares Meeting and/or the Titan Shares Meeting, provided that those resolutions have been clearly specified and notified to the management board. The absence of the approval by the General Meeting, the Bear Shares Meeting and/or the Titan Shares Meeting of a management board resolution does not affect the authority of the management board to represent the Company.
- 8.3.11 The management board may not file for bankruptcy of the Company without a mandate from the General Meeting.
- 8.3.12 The management board shall adhere to the directions of the General Meeting, unless the directions are contrary to the interests of the Company and its business.

8.4 Representation

- 8.4.1 The entire management board represents the Company (towards third parties). This authority to represent the Company is also vested in:
 - (a) two (2) Independent Directors acting jointly;
 - (b) an Independent Director acting jointly with either a Bear Director or a Titan Director; or
 - (c) a Bear Director and a Titan Director acting jointly.
- 8.4.2 The management board may grant power to represent the Company (*procuratie*) or any other power to represent the Company on a continuing basis to one or more individuals whether or not employed by the Company. The management board may grant titles to the individuals referred to in the preceding sentence.

8.5 Audit Committee

- 8.5.1 The Company has a corporate body as referred to in article 2(4) of the Audit Decree. The Audit Committee has all duties and responsibilities as referred to in the Audit Decree, as well as such other tasks allocated to audit committees pursuant to applicable law.
- 8.5.2 The General Meeting determines the number of members of the Audit Committee with due observance of the Audit Decree. The members of the Audit Committee are appointed, suspended and dismissed by the General Meeting. The General Meeting may resolve to grant remuneration to the members of the Audit Committee.
- 8.5.3 The Audit Committee may adopt written rules governing its internal proceedings, with due

observance of the Audit Decree.

9 GENERAL MEETING, MEETING OF HOLDERS OF SHARES OF A SPECIFIC CLASS

9.1 Annual General Meeting

9.1.1 At least one General Meeting must be held during the Company's financial year, unless the matters referred to in article 9.1.2 have been resolved on without holding a meeting in accordance with article 9.5 (*Resolutions without holding a meeting*).

9.1.2 The agenda for the annual General Meeting must include the following items:

- (a) if article 2:391 BW applies to the Company, the deliberations on the management report;
- (b) the adoption of the annual accounts;
- (c) the allocation of profits; and
- (d) the discharge of managing directors in office in the preceding financial year for their management in that financial year.

9.1.3 The items referred to in article 9.1.2 do not need to be included on the agenda if the deadline for preparing the annual accounts and, if applicable, presenting the management report has been extended or if the agenda includes a proposal to that effect.

9.1.4 A General Meeting must furthermore be convened whenever the management board, a shareholder or a Person Entitled to Vote deems it necessary.

9.2 Location and notice of meetings

9.2.1 General Meetings are held in the municipality where the Company has its seat, or in Rotterdam, the Hague, Utrecht, Eindhoven and the municipality of Haarlemmermeer (Schiphol Airport), the Netherlands.

9.2.2 The management board, a managing director or a Person Entitled to Vote shall give notice of the General Meeting to Persons Entitled to Attend General Meetings.

9.2.3 Notice must be given in accordance with the deadline referred to in article 2:225 BW.

9.2.4 If one or more of the requirements referred to in article 9.2.1 or article 9.2.3 have not been met, valid resolutions may only be adopted at a General Meeting if all Persons Entitled to Attend General Meetings have consented to this method of adoption and the managing directors have been given the opportunity to issue advice prior to the adoption of the resolution.

9.2.5 The notice must specify the agenda, as well as the location and time of the General Meeting. Article 9.2.4 equally applies to adoption of resolutions on matters which have not been included in the notice or which have not been announced in a supplemental notice within the deadline for giving notice.

9.3 Order of business at the meeting

9.3.1 The General Meeting is chaired by the Chairperson, or, if the Chairperson is absent, by the Deputy Chairperson. If the Chairperson and the Deputy Chairperson are both absent, the General Meeting shall appoint its own chair. The person chairing the General Meeting appoints a secretary.

9.3.2 Minutes must be taken of the General Meeting.

9.3.3 Managing directors may attend General Meetings and have an advisory vote at General Meetings in their capacity of managing director.

9.4 Voting procedure and proxy

- 9.4.1 Each share confers the right to cast one vote at the General Meeting. At the General Meeting no vote may be cast on shares held by the Company or a Subsidiary, or on shares for which the Company or a Subsidiary holds the depositary receipts. Pledges or usufructuaries of shares held by the Company or a Subsidiary are, however, not excluded from the right to vote on those shares if the right of pledge or the right of usufruct was granted before the Company or the Subsidiary held the shares. The Company or a Subsidiary may not cast a vote on shares that it holds a right of pledge or usufruct on.
- 9.4.2 Shares that do not carry voting rights pursuant to the law or these articles of association are not taken into account in determining to what extent shareholders vote, are present or represented or to what extent the share capital is provided or represented. Blank votes, abstentions from voting and invalid votes are regarded as not having been cast.
- 9.4.3 Resolutions can only be validly adopted at a General Meeting where more than fifty percent (50%) of the aggregate issued and outstanding share capital of the Company is present or represented. If no resolution can be adopted because the quorum requirement referred to in the preceding sentence is not met, a second General Meeting as referred to in article 2:230(3) BW will be convened, taking into account article 2:225 BW. Subject to article 2:334cc(1)(d) BW, resolutions may be adopted at this second General Meeting regardless of the part of issued share capital present or represented at that General Meeting.
- 9.4.4 Resolutions are adopted by an absolute majority of the votes cast, unless the law or these articles of association specifically require a larger majority. Shareholders of the Company that are a party to the Shareholders' Agreement shall take into account the majority requirements for resolutions of the General Meeting as set out in that agreement.
- 9.4.5 In a tie vote on the appointment of persons, no resolution is adopted. In a tie vote on other matters, the proposal is rejected.
- 9.4.6 The management board may resolve that each Person Entitled to Attend General Meetings may directly observe and take part in the General Meeting by electronic communication.
- 9.4.7 The management board may resolve that each Person Entitled to Vote may exercise his voting rights by electronic communication, either in person or by a proxy authorised in writing.
- 9.4.8 The management board may attach conditions to the use of electronic communication. The notice of the General Meeting must set out these conditions or state where they can be consulted.
- 9.4.9 Persons Entitled to Attend General Meetings may be represented at the General Meeting by a proxy authorised in writing.
- 9.5 Resolutions without holding a meeting**
- 9.5.1 Persons Entitled to Vote may also adopt any resolutions which they may adopt at a General Meeting without holding a meeting. The managing directors must be given the opportunity to give advice about a motion before the motion is voted on.
- 9.5.2 A resolution adopted without holding a meeting will only be valid if all Persons Entitled to Attend General Meetings consent to this form of adoption and the resolution is adopted either in writing or by reproducible electronic communication as required by law and these articles of association.

- 9.5.3 Persons who have adopted a resolution without holding a meeting shall immediately notify the management board of the resolution.
- 9.6 Meetings of holders of shares of a specific class or indication**
- 9.6.1 A meeting of holders of shares of a specific class or indication must be held whenever a resolution of that meeting is required or the management board deems it necessary. In addition, meetings of holders of shares of a specific class or indication must be held if one or more Persons Entitled to Attend General Meetings who individually or jointly represent at least one hundredth of the issued share capital of that class or indication deem a meeting necessary, unless this is contrary to an overriding interest of the Company.
- 9.6.2 If one or more persons referred to in article 9.6.1 deem a meeting of holders of shares of a specific class or indication necessary, they may make a request to the management board to that effect. The request must clearly state the items to be discussed. If a managing director does not convene that meeting so that it is held within ten (10) days of the request, any of the persons requesting the meeting may convene the meeting in accordance with these articles of association.
- 9.6.3 Articles 9.2 (*Location and notice of meetings*) through 9.5 (*Resolutions without holding a meeting*) equally apply to meetings of holders of shares of a specific class or indication and the resolutions to be adopted by these meetings. The notice is sent no later than on the sixth day before the meeting.
- 9.6.4 As long as no votes may be cast at a meeting of holders of shares of a specific class or indication, the General Meeting will have the rights attached to that meeting.
- 10 FINANCIAL YEAR, ANNUAL REPORTING AND AUDITOR**
- 10.1 Financial year and annual reporting**
- 10.1.1 The financial year is the same as the calendar year.
- 10.1.2 Annually within five months after the end of each financial year the management board shall prepare annual accounts and make these available at the Company's office for inspection by the Persons Entitled to Attend General Meetings. The General Meeting may extend this period on the basis of special circumstances by no more than five months. As long as securities of the Company are admitted to trading on a regulated market as referred to in the Financial Supervision Act (*Wet op het financieel toezicht*) the management board shall, notwithstanding the previous two sentences, prepare annual accounts and make these available at the Company's office for inspection by Persons Entitled to Attend General Meetings annually within four months after the end of each financial year; this period cannot be extended.
- 10.1.3 If the mandate referred to in article 10.2 (*Auditor*) has been given, the auditor's statement must be added to the annual accounts. Furthermore, the management report must be added to the annual accounts, unless article 2:391 BW does not apply to the Company. The additional information referred to in article 2:392(1) BW must also be added insofar as that paragraph (1) applies to the Company.
- 10.1.4 The annual accounts must be signed by all managing directors; if any signature is missing, this must be stated and explained.
- 10.1.5 The General Meeting adopts the annual accounts.
- 10.1.6 Article 2:210(5) BW does not apply to the adoption of the annual accounts.

10.2 Auditor

- 10.2.1 The Company may give a mandate to an auditor as referred to in article 2:393 BW to audit the annual accounts prepared by the management board in accordance with article 2:393(3) BW. If the law so requires, the Company shall give this mandate.
- 10.2.2 The General Meeting gives the mandate to the auditor. If the General Meeting fails to give the mandate, the management board will give the mandate.
- 10.2.3 The mandate given to the auditor may be revoked by the General Meeting and by the corporate body which has given the mandate. The mandate may only be revoked for valid reasons and in accordance with article 2:393(2) BW.
- 10.2.4 The auditor shall report on the audit to the Audit Committee and the management board and set out the results of the audit in an auditor's statement on whether the annual accounts present a true and fair view.

11 RESULTS, RESERVES AND DISTRIBUTIONS**11.1 Results**

- 11.1.1 The Results are allocated as follows:

- (a) the Bear Shares A Results;
- (b) the Bear Shares B Results;
- (c) the Titan Shares A Results; and
- (d) the Titan Shares B Results.

The allocation of the Results shall be included and reflected in the annual accounts as adopted by the General Meeting or, as the case may be, in the interim financial statements, unless unanimously resolved otherwise by the General Meeting. Upon a request by a shareholder, the management board shall within a reasonable period of time provide the requesting shareholder with the current allocation of the Results.

- 11.1.2 In preparing the annual accounts, the management board shall determine the Results after tax.

11.2 Reserves

- 11.2.1 The Company may provide for a separate share premium reserve for the Bear Shares A, the Bear Shares B, the Titan Shares A and the Titan Shares B. Each payment (in cash or in kind) on a share exceeding the nominal value of such share is credited to the share premium reserve maintained for the share on which the payment is made. The shares for which a share premium reserve is maintained give exclusive entitlement to the share premium reserve concerned.
- 11.2.2 The management board shall keep such records so that it can at all times ascertain which amount of a share premium reserve can be attributed to each individual share that gives entitlement to the share premium reserve concerned.
- 11.2.3 In addition to the other reserves, the Company shall maintain a profit reserve for:
 - (a) the Bear Shares A, to which the Bear Shares A give an exclusive entitlement;
 - (b) the Bear Shares B, to which the Bear Shares B give an exclusive entitlement;
 - (c) the Titan Shares A, to which the Titan Shares A give an exclusive entitlement; and
 - (d) the Titan Shares B, to which the Titan Shares B give an exclusive entitlement.
 Where these articles of association refer to profit reserves, reference is made to the above profit reserves, unless explicitly provided otherwise.

- 11.2.4 The management board shall keep record of the amounts debited or credited to:
- (a) the Bear Shares A Profit Reserve, with respect to each individual Bear Share A;
 - (b) the Bear Shares B Profit Reserve, with respect to each individual Bear Share B;
 - (c) the Titan Shares A Profit Reserve, with respect to each individual Titan Share A; and
 - (d) the Titan Shares B Profit Reserve, with respect to each individual Titan Share B.
- 11.2.5 Upon the adoption of the annual accounts referred to in article 10.1.5, the management board may resolve to reserve the Results, or any part thereof, as shown in the annual accounts.
- 11.2.6 The Results remaining after application of article 11.2.5 are attributed as follows:
- (a) the Bear Shares A Results remaining shall be credited to the Bear Shares A Profit Reserve;
 - (b) the Bear Shares B Results remaining shall be credited to the Bear Shares B Profit Reserve;
 - (c) the Titan Shares A Results remaining shall be credited to the Titan Shares A Profit Reserve; and
 - (d) the Titan Shares B Results remaining shall be credited to the Titan Shares B Profit Reserve.
- 11.2.7 The management board, with the approval of the meeting of holders of the shares entitled to the profit reserve concerned, may resolve to make an interim credit or debit to a particular profit reserve. The amount of the credit or debit shall be equal to the pro rata part, calculated up to and including the date of the management board resolution referred to in the first sentence, of the aggregate Bear Shares A Results, Bear Shares B Results, Titan Shares A Results and/or Titan Shares B Results, as the case may be, that is to be credited or debited in accordance with article 11.2.6 upon the adoption of the annual accounts of the financial year concerned as reasonably predicted by the management board. Any amount credited or debited in accordance with this article 11.2.7 shall be set off against the total amount credited or debited to the relevant profit reserve in accordance with article 11.2.6 upon the adoption of the annual accounts in the financial year concerned.
- 11.3 Distributions**
- 11.3.1 To the extent that the Company's equity exceeds the total amount of the reserves referred to in article 2:216(1) BW, the General Meeting, at the proposal of the management board and with the approval of the meeting of holders of shares entitled to the particular reserve, may resolve upon a distribution from:
- (a) a particular share premium reserve as referred to in article 11.2.1; and/or
 - (b) a particular profit reserve as referred to in article 11.2.3.
- A resolution to make a distribution from a reserve is subject to the management board's approval. The management board may only withhold its approval if it knows or should reasonably expect that the Company will be unable to continue paying its due debts after the distribution.
- 11.3.2 A distribution on one or more shares from a reserve to which such shares are exclusively entitled may only be made to the extent that the aggregate entitlement to share premium reserves and profit reserves in respect of the shares of the class of shares concerned

reflect a positive balance.

- 11.3.3 Shares held by the Company in its own share capital or for which depositary receipts have been issued that are held by the Company are not taken into account in determining how the amount to be distributed on shares is to be divided. These shares are, however, taken into account if they are subject to a right of pledge or a right of usufruct or if depositary receipts have been issued for these shares entitling the holder of that right or those depositary receipts to the distribution.
- 11.3.4 A distribution at the expense of a reserve can only be made on shares entitled to such reserve in accordance with article 11.2.1 and 11.2.3, and shall be made in proportion to the individual share's entitlement to the balance of the relevant reserve at the time of the distribution, unless determined otherwise by a resolution of the meeting of holders of shares entitled to that particular reserve. Only the amount of the mandatory payments on the nominal value of the shares is taken into account in determining the amount to be distributed on each share. The preceding sentence may be deviated from with the consent of all shareholders.
- 11.3.5 Distributions are due four weeks after they have been declared, unless the General Meeting sets a different date at the management board's proposal.
- 11.3.6 The General Meeting may, with the approval of the meeting of holders of shares entitled to the particular reserve, resolve that distributions will be fully or partly made other than in cash.

12 SPECIAL RESOLUTIONS AND DISSOLUTION

12.1 Amendment of these articles of association, legal merger, legal division, and liquidation

The General Meeting may, solely at the proposal of the management board, resolve upon an amendment of these articles of association, a legal merger or demerger involving the Company or the dissolution of the Company, subject to articles 2:331 BW and 2:334ff BW and the requirement of approval of the meeting of holders of shares of a specific class or indication or consent where this is based on the law.

12.2 Liquidation

- 12.2.1 If the Company is dissolved pursuant to a resolution of the General Meeting and its assets must be liquidated, the managing directors will become the liquidators unless the management board appoints one or more other liquidators prior to or simultaneously with the adoption of the General Meeting resolution to dissolve the Company.
- 12.2.2 The General Meeting determines the remuneration of the liquidators.
- 12.2.3 The liquidation takes place in accordance with statutory provisions, these articles of association and the Shareholders' Agreement. During the liquidation period these articles of association and the Shareholders' Agreement, as far as possible, will remain in full force.
- 12.2.4 The balance of the Company's assets after all liabilities have been paid will be added to the reserves referred to in article 11.2.1 in accordance with article 11.2.7. Subsequently, the balances of the reserves concerned shall be distributed on the shares entitled to the relevant reserves, together with the nominal value paid-up on such shares.
- 12.2.5 After the Company has ceased to exist, its books, records and other data carriers must remain in the custody of the person designated for that purpose by the liquidators or,

failing liquidators, by the management board, for a period of seven (7) years.

A document in evidence of the resolutions referred to in the opening statements of this deed, is attached to this deed.

The original copy of this deed was executed in Amsterdam, on the date mentioned at the top of this deed. I summarised and explained the substance of the deed. The individual appearing before me confirmed having taken note of the deed's contents and having agreed to a limited reading of the deed. I then read out those parts of the deed that the law requires. Immediately after this, the individual appearing before me, who is known to me, and I signed the deed.

**VEDTEKTER
FOR**

MHWIRTH AS

(org.nr. 942 524 544)

(sist endret i ekstraordinær generalforsamling 15. Oktober 2021)

§ 1

Selskapets navn er MHWirth AS.

§ 2

Selskapets forretningskontor er i Kristiansand kommune.

§ 3

Selskapets formål er å drive industri og handel samt utvikle, erverve og utnytte patenter, oppfinnelser og teknisk viten. Virksomheten kan også delta i, eller samarbeide med andre private og offentlige foretak.

§ 4

Selskapets aksjekapital er NOK 100 200 004 fordelt på 100 200 004 aksjer hver pålydende NOK 1, fullt innbetalt og lydende på navn.

§ 5

Selskapets styre skal bestå av tre til ni medlemmer etter generalforsamlingens nærmere beslutning. Selskapets firma tegnes av to styremedlemmer i fellesskap.

§ 6

Den ordinære generalforsamlingen skal behandle:

1. Fastsettelse av resultatregnskap og balanse.
2. Anvendelse av overskuddet eller dekning av underskudd i henhold til den fastsatte balanse samt utdeling av utbytte.
3. Valg av styre.
4. Andre saker som i henhold til lov hører under generalforsamlingen.

§ 7

Erverv av selskapets aksjer er ikke betinget av samtykke fra selskapets styre. Aksjeeierne har ikke forkjøpsrett iht. aksjeloven.

§ 8

For øvrig henvises til den til enhver tid gjeldende aksjelovgivning.

(Unofficial translation. The official language of these minutes is Norwegian. In the event of any discrepancies between the Norwegian and English text, the Norwegian text shall precede.)

ARTICLES OF ASSOCIATION

FOR MHWIRTH AS

(Org.nr. 942 524 544)

(Updated by extraordinary general meeting 15 October 2021)

§ 1

The name of the company is MHWirth AS.

§ 2

The company's business address is in the city of Kristiansand, Norway.

§ 3

The purpose of the company is industrial activities and trade, as well as obtaining and application of patents, inventions and technical know-how. The company may also participate or cooperate with other private or public sector businesses.

§ 4

The company's share capital is NOK 100,200,004 divided on 100,200,004 shares each with a nominal value of NOK 1, fully paid and registered by name.

§ 5

The company's Board of Directors shall consist of three to nine members as decided by the General Meeting of Shareholders. Two board members shall jointly have the right to sign on behalf of the company.

§ 6

The Annual General Meeting shall:

1. Approval of profit and loss account and balance sheet.
2. Application of profit or cover deficit, and distribution of dividends in accordance with the balance sheet.
3. Appointment of directors.
4. Consider other matters which by law are to be handled by the General Meeting.

§ 7

The transfer of the company's shares is not conditional upon or subject to approval from the company or the Board of Directors. The shareholders have no pre-emptive rights pursuant to the Norwegian Private Limited Liability Companies Act.

§ 8

Otherwise, reference is made to the provisions of the Norwegian Private Limited Liability Companies Act, as amended from time to time.

HYDRIL USA DISTRIBUTION LLC

LIMITED LIABILITY COMPANY AGREEMENT

AMENDED AND RESTATED AS OF 27 OCTOBER 2021

This Limited Liability Company Agreement ("Agreement") of Hydril USA Distribution LLC, a Delaware limited liability company ("Company"), is entered into by MHH Holding B.V., a closed limited liability company formed in the Netherlands, as the sole member of the Company ("Member").

1. NAME. The name of the Company is Hydril USA Distribution LLC.

2. PURPOSE AND POWERS. The Company is formed for the purpose of engaging in any lawful act or activity for which a limited liability company may be organized under the Delaware Limited Liability Company Act, as amended (the "Act"), and shall have those powers which are provided to a limited liability company under the Act related or incidental to such purpose and necessary, convenient, or advisable to accomplish such purpose.

3. HISTORY. The Company was formed as a limited liability company under and pursuant to the provisions of the Act upon filing the Certificate of Formation with the Office of the Secretary of State of the State of Delaware on February 28, 2008.

Initially, the Company was owned 99% by GE Energy Manufacturing, Inc. and 1% by GE Oil & Gas, Inc. On January 1, 2013, GE Energy Manufacturing, Inc. now known as GE Energy Manufacturing, LLC, became the Sole Member (100%). On June 1, 2021, ownership of the Company was transferred to Baker Hughes Energy Services LLC, and then to Baker Hughes Holdings LLC. On October 1, 2021, ownership and membership were acquired by, and transferred to, MHH Holding B.V.

4. COMPANY OFFICES. The principal business office of the Company shall be sited at such location as may hereafter be determined by the Directors. The Company may have such additional offices at such other places within or without the state of its formation as the Directors may from time to time determine or as the business of the Company may require. The registered office of the Company in the State of Delaware is at the Corporation Trust Center, 1209 Orange Street, Wilmington, New Castle County, Delaware, or such other address as hereafter may be determined by the Directors.

5. MEMBER. The name, mailing address and initial limited liability company interest of the Member is as follows:

<u>Name</u>	<u>Address</u>	<u>Interest</u>
MHH Holding B.V.	Amstelveenseweg 500, 1081KL Amsterdam, NL	100%

6. CAPITAL CONTRIBUTIONS. The Member has contributed the cash, property, services and/or promissory obligations set forth in the books and records of the Company. The Member may make additional capital contributions to the Company as determined by the Member in its sole discretion from time to time; provided, that the Member shall have no obligation to make any additional capital contributions to the Company.

7. MEETINGS OF MEMBERS. A meeting of Members may be called at any time by the Directors or any Member entitled to vote at such meeting. The holders of a majority in interest of the Members present in person or represented by proxy shall be requisite and shall constitute a quorum at all meetings of members except as otherwise provided by statute or the Certificate of Formation. When a quorum is once present to organize a meeting, such quorum is not deemed broken by the subsequent withdrawal of any Members.

Every Member entitled to vote at any meeting shall be entitled to vote in accordance with its interest in the Company held by it of record on the date fixed as the record date for said meeting (or if no record date has been set, as of the meeting date) and may so vote in person or by proxy. Any action of the Members shall be authorized by a majority in interest of the votes cast by the Members entitled to vote thereon except as may otherwise be provided by statute, the Certificate of Formation, or this Limited Liability Company Agreement.

8. ACTIONS REQUIRING MEMBER APPROVAL. The following actions shall require the approval of the Member in addition to the approval of the Directors:

- (i) the sale, transfer or other disposition of all or substantially all of the Company's assets (except in connection with a liquidation of the Company following dissolution);

- (ii) the merger, consolidation, conversion, redomestication or other reorganization of the Company with or into any other entity unless the Company shall be the surviving entity thereof and the Member shall continue to own 100% of the limited liability company interests in the Company following such reorganization; and

- (iii) such other matters as the Member may from time to time advise the Directors in writing require joint approval of the Directors and Member.

Any action required or permitted to be taken at any meeting of the Members may be taken without a meeting if all Members consent thereto in writing, and filed in the minutes of the Company.

9. LIMITED LIABILITY. Except as otherwise provided by the Act, the debts, obligations, and liabilities of the Company, whether arising in contract, tort, or otherwise, shall be solely the debts, obligations, and liabilities of the Company, and the Member shall not be obligated personally for any such debt, obligation, or liability of the Company solely by reason of being a member of the Company.

10. BOARD OF DIRECTORS. Subject to Section 7, the business and affairs of the Company shall be managed and all its powers shall be exercised by or under the direction of a

board of directors (each individually, a “Director” and, collectively, the “Board of Directors”) appointed by the Member. The number of Directors may be fixed from time to time by resolution of the Board of Directors. The Board of Directors shall be the “manager” within the meaning of 18-402 of the Act (it being understood that no individual Director shall have the power and authority to bind the Company). A majority vote or consent of the total number of Directors on the Board of Directors shall be required to authorize or approve any actions of the Board of Directors.

A Director must be a natural person of at least eighteen (18) years of age. Any Director or the entire Board of Directors may be removed at any time, with or without cause, by the Member.

11. MEETINGS OF DIRECTORS. Meetings of the Board of Directors for any purpose or purposes may be called at any time by any Director. Notice of the time and place of meetings shall be given either personally or by mail or other means of written communication. Any action required or permitted to be taken by the Board of Directors may be taken without a meeting if all the Directors authorized to vote shall unanimously consent in writing to such action.

12. OFFICERS OF THE COMPANY. The Board of Directors shall elect a President of the Company, and may elect other officers who shall perform such duties and have such powers as from time to time may be assigned to them by the Board of Directors and/or are set forth in this Agreement. The Officers of the Company shall hold office for such terms as shall be determined from time to time by the Board of Directors and shall hold office until their successors are chosen and qualified or until their earlier resignation or removal, with or without cause, by the Board of Directors.

President

The President shall see that all orders and resolutions of the Board of Directors are carried into effect. The President shall have general supervision and direction over the business and policies of the Company. The President shall report to the Board of Directors all matters within his or her knowledge which the interests of the Company may require to be brought to their notice. The President shall be in charge of the supervision, direction and development of all business, and shall perform such other duties as may from time to time be assigned by the Board of Directors. The President shall have the general powers of supervision, direction and management usually vested in the office of a president or chief executive officer of a Delaware corporation.

Vice President

The Vice President or Vice Presidents, if more than one, shall have the usual powers and duties vested in a vice president of a Delaware corporation, together with such other powers and duties as may be assigned to such Officer by the Board of Directors or the President.

Secretary

The Secretary, if available, shall attend all meetings of the Board of Directors, act as clerk thereof and record all votes and the minutes of all proceedings in a book to be kept for that purpose. The Secretary shall keep in safe custody the seal of the Company, and shall affix the seal to any

instrument requiring the same. The Secretary shall see that proper notice is given of all meetings of the Member of the Company and of the Board of Directors, and shall perform such other duties as may be prescribed to such Officer from time to time by the Board of Directors or the President. In the Secretary's absence, or in case of failure or inability to act, an Assistant Secretary shall perform the duties described herein and such other duties as may be prescribed by the Board of Directors.

Treasurer

The Treasurer shall keep full and accurate accounts of receipts and disbursements in books belonging to the Company, and shall deposit all money and other valuable effects in the name and to the credit of the Company in such depositories as may be designated by the Board of Directors. The Treasurer shall disburse the funds of the Company as may be ordered by the Board of Directors or by the President, taking proper vouchers for such disbursements, and shall render to the President and Directors at any meeting of the Board, or whenever they may require it, an account of all transactions as Treasurer. The Treasurer shall perform such other duties as the Board of Directors may from time to time prescribe to or require from such Officer. In case of absence or inability to act, an Assistant Treasurer perform the duties described herein and such other duties as may be prescribed by the Board of Directors.

Assistant Secretary

Each Assistant Secretary shall have the usual powers and duties vested in an assistant secretary of a Delaware corporation, together with such other powers and duties as may be assigned to such Officer by the Board of Directors, the President, or the Secretary. Any Assistant Secretary may exercise the powers of the Secretary.

Assistant Treasurer

Each Assistant Treasurer shall have the usual powers and duties vested in an assistant treasurer of a Delaware corporation, together with such other powers and duties as may be assigned to such Officer by the Board of Directors, the President, or the Treasurer. The Assistant Treasurer or such other person designated by the Board of Directors shall exercise the power of the Treasurer.

Controller

The Controller, if one is appointed, shall be responsible to the Board of Directors and the President for all financial control and internal audit of the Company and its subsidiaries. The Controller shall perform such other duties as may be assigned to such Officer by the Board of Directors or the President and shall be responsible to a designated a Vice President only for the routine administrative matters pertaining to the duties of this office.

13. EXCULPATION AND INDEMNIFICATION.

(a) To the fullest extent permitted by the laws of the State of Delaware and except in the case of bad faith, gross negligence or willful misconduct, no Member, Director or Officer shall be liable to the Company or any other Member for any loss, damage or claim incurred by reason of any act or omission performed or omitted by such Member, Director

or Officer in good faith on behalf of the Company and in a manner reasonably believed to be within the scope of the authority conferred on such Member, Director or Officer by this Agreement.

(b) Except in the case of bad faith, gross negligence or willful misconduct, each person (and the heirs, executors or administrators of such person) who was or is a party or is threatened to be made a party to, or is involved in any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that such person is or was a Member, Director or Officer, shall be indemnified and held harmless by the Company to the fullest extent permitted by the laws of the State of Delaware for managers and officers of limited liability companies organized under the laws of the State of Delaware. Any indemnity under this Section 12 shall be provided out of and to the extent of Company assets only, and no Member shall have personal liability on account thereof.

14. ASSIGNMENTS; ADDITIONAL MEMBERS. The Member may sell, assign, pledge or otherwise transfer or encumber (collectively, "transfer") all or any part of its limited liability company interest in the Company to any person or entity. Upon any transfer of its entire limited liability company interest in the Company, the transferee shall be admitted as a substituted member and shall be thereafter referred to herein as the Member. In the event the Member transfers less than its entire limited liability company interest in the Company to any person or entity, the admission of such transferee as a member of the Company shall be conditioned on, and subject to, an amendment to this Agreement to contemplate multiple members of the Company. Except to the extent set forth in the second sentence of this Agreement, no additional member of the Company shall be admitted unless and until this Agreement has been amended to contemplate multiple members of the Company. The limited liability company interests in the Company shall not be certificated.

15. DISTRIBUTIONS. Distributions of cash or other assets of the Company shall be made to the Member at such times and in such amounts as the Directors may determine from time to time.

16. DISSOLUTION. The term of the Company shall be perpetual; provided that it shall dissolve upon the occurrence of any of the events described in the following paragraph.

The Company shall dissolve, and its affairs shall be wound up upon the first to occur of the following: (i) the determination by the Member to dissolve the Company, (ii) the retirement, resignation or dissolution of the Member or the occurrence of any other event which terminates the continued membership of the Member in the Company unless the business of the Company is continued in a manner permitted by the Act, or (iii) the entry of a decree of judicial dissolution under §18-802 of the Act.

The bankruptcy or other event described in §18-304 of the Act with respect to the Member will not cause the Member to cease to be a member of the Company and upon the occurrence of such an event, the business of the Company shall continue without dissolution.

17. FISCAL YEAR. The fiscal year of the Company shall be fixed by the Directors by

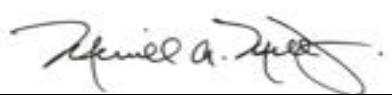
resolution duly adopted, and, from time to time, may be altered by resolution duly adopted by the Directors. The initial fiscal year shall be the calendar year.


18. ENTIRE AGREEMENT. This Agreement constitutes the entire agreement of the Member with respect to the subject matter hereof. Each provision of this Agreement shall be considered separable and if for any reason any provision or provisions herein are determined to be invalid, unenforceable, or illegal under any existing or future law, such invalidity, unenforceability, or illegality shall not impair the operation of or affect those portions of this Agreement which are valid, enforceable, and legal. This Agreement shall be governed by, and construed under, the laws of the State of Delaware (without regard to conflict of laws principles), all rights and remedies being governed by said laws.

19. MISCELLANEOUS. Where the context so indicates, the masculine shall include the feminine, the neuter shall include the masculine and feminine, the singular shall include the plural and any reference to a "person" shall mean a natural person or a corporation, limited liability company, partnership, or other legal entity. Except as otherwise provided to the contrary, this Agreement shall be binding upon and inure to the benefit of the Member and each of its distributees, heirs, legal representatives, executors, administrators, successors, and assigns. The headings in this Agreement are inserted for convenience only and are in no way intended to describe, interpret, define, or limit the scope, extent, or intent of this Agreement or any provision hereof. Unless the context requires otherwise, all references in this Agreement to Section shall be deemed to mean and refer to Sections of this Agreement. This Agreement may not be modified, altered, supplemented, or amended except pursuant to a written agreement executed by the Member.

IN WITNESS WHEREOF, the undersigned, intending to be legally bound hereby, has duly executed this Agreement as of October 27, 2021.

MHH HOLDING B.V.

By: 
Name: _____
Director

By: 
Name: _____
Director

Appendix 6 - Articles of Association of Hydril PCB Limited

Appendix A
Articles of Association



THE COMPANIES ACT 1985
COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
of

Hydril PCB Limited

(Adopted by special resolution passed on 1 October 2021)

CONSTITUTION

1 The Company Is a private company within the meaning of Section 1 of the Companies Act 1985 as amended (hereinafter referred to as "the Act"), in accordance with and subject to the provisions of the Act and of the Memorandum of Association of the Company and of the regulations contained in or applied by Table A of The Companies (Tables A to F) Regulations 1985 (hereinafter referred to as "Table A") which are hereby adopted with the exception of regulations 5, 24, 38, 53, 65 to 69 inclusive, 73 to 80 inclusive, 87, 93 to 96 inclusive and 118 of Table A and subject to the provisions of the following additional Articles in modification of Table A, so far as hereby adopted

SHARES

2 Subject to the provisions of Section 80 of the Act the shares shall be at the disposal of the Directors and they may, provided that if and so long as any company is for the time being the holding company of the Company the prior consent in writing of such company has been obtained (such consent not being required when the shares are to be allotted to such holding company), allot or otherwise dispose of them to such persons at such times and generally on such terms and conditions as they think proper subject always to the following conditions and the other provisions of the Articles -

(a) the maximum amount of relevant securities to be allotted in pursuance of this authority shall be the unissued shares in the capital of the Company for the time being and from time to time while this authority is in force,

(b) the Directors are unconditionally authorised, provided that if and so long as any company is for the time being the holding company of the Company the prior consent in writing of such company has been obtained, to allot shares up to the amount of the share capital as at the date of the adoption of these Articles at any time or times during the period of five years from such date, and

(c) no shares shall be issued at a discount

3 In accordance with Section 91 (1) of the Act, Sections 89 (1) and 90 (1) to (6) inclusive of the Act shall be excluded from applying to allotments by the Company of equity securities (as defined In Section 94 of the Act)

4 The Directors may in their absolute discretion and without assigning any reason therefor decline to register any transfer of any share, whether or not it is a fully paid share Notwithstanding the foregoing the holding company for the time being of the Company may at any time transfer all or any shares to any other company, whether In the same group of companies or otherwise

4A Notwithstanding anything contained in these articles (whether by way of or in relation to pre-emption rights, restrictions on, or conditions applicable to, share transfers, or otherwise, including, for the avoidance of doubt, any lien referred to in the articles), the directors shall not decline to register any transfer of shares nor suspend registration thereof:

(a) where such transfer is in favour of a bank, financial institution or other lender or any nominee of a bank, financial institution or other lender and the transfer is as contemplated by, or pursuant to, any mortgage or charge of shares or any call or other share option granted in favour of such bank, financial institution or other lender; or

(b) where such transfer is by or on behalf of a bank, financial institution or other lender or any nominee of a bank, financial institution or other lender in favour of any third party upon disposal or realisation of shares following such bank, financial institution or other lender having become entitled to exercise or enforce its rights under any such mortgage, charge and/or call or other option,

and a certificate by any officer of the bank, financial institution or other lender that the relevant transfer is within paragraphs (a) or (b) above shall be conclusive evidence of that fact.

5 The Company shall be entitled, but shall not be bound, to accept and, in case of acceptance, shall be entitled to record in such manner as it may think fit notices of any trusts in respect of any shares of the Company Notwithstanding any such acceptance and/or the making of any such record, the Company shall not be bound to see to the execution, administration or observance of any trust, whether expressed, implied, or constructive, in respect of any shares of the Company and shall be entitled to recognise and give effect to the acts and deeds of the registered holders of such shares as if they were the absolute owners thereof For the purpose of this Article "trust" includes any right in respect of any shares of the Company other than an absolute right thereto in the registered holder thereof for the time being or such other rights in case of transmission thereof as are hereinafter mentioned

6 The lien conferred by Regulation 8 of Table A shall attach also to fully paid up shares, and the Company shall also have a first and paramount lien on all shares, whether fully paid or not, standing registered in the name of any person indebted or under liability to the Company, whether he shall be the sole registered holder thereof or shall be one of two or more joint holders, for all monies presently payable by him or his estate to the Company Regulation 8 of Table A shall be modified accordingly

6A Notwithstanding anything contained in these articles, any lien on any shares (whether part or fully paid) which the company has shall not apply in respect of any shares that have been charged by way of security to a bank or other financial institution (or any agent, trustee, nominee or nominees or receiver of such bank or financial institution).

NOTICE OF GENERAL MEETINGS

7 An annual general meeting and an extraordinary general meeting called for the passing of a special resolution or a resolution appointing a person as a Director shall be called by at least twenty-one days' notice All other extraordinary general meetings shall be called by at least fourteen days' notice but a general meeting may be called by shorter notice if it is so agreed

(a) in the case of an annual general meeting, by all the members entitled to attend and vote thereat, and

(b) in case of any other meeting by a majority in number of the members having a right to attend and vote being a majority together holding not less than ninety-five per cent in nominal value of the shares giving that right

Such agreement must be signed by the requisite percentage of members specified above, which consent and signature may be evidenced by letter, telex, cable, electronic mail, facsimile, or otherwise and may consist of several documents in the like form consented to and signed by one or more members as the Directors may from time to time resolve to permit

The notice shall specify the time and place of the meeting and the general nature of the business to be transacted and, in the case of an annual general meeting, shall specify the meeting as such

Subject to the provisions of the Articles and to any restrictions imposed on any shares, the notice shall be given to all members, to all persons entitled to a share in consequence of the death or bankruptcy of a member and to the Directors and Auditors

SINGLE MEMBER COMPANY

8 If, and for so long as, the Company has only one member, the following provisions shall apply -

(a) One person entitled to vote upon the business to be transacted, being the sole member of the Company or a proxy for that member or (if such member is a corporation) a duly authorised representative of such member, shall be a quorum and Regulation 40 of Table A shall be modified accordingly Regulation 41 of Table A shall not apply to the Company

(b) The sole member of the Company (or the proxy or authorised representative of the sole member representing that member at the relative general meeting) shall be the Chairman of any general meeting of the Company and Regulation 42 of Table A shall be modified accordingly

(c) A proxy for the sole member of the Company may vote on a show of hands and Regulation 54 of Table A shall be modified accordingly

(d) All other provisions of these Articles shall (in the absence of any express provision to the contrary) apply with such modification as may be necessary in relation to a Company which has only one member

MEMBERS' RESOLUTIONS

9 A resolution in writing which has been consented to and signed by or on behalf of all the members who would have been entitled to vote upon it if it had been proposed at a general meeting at which they were present (which consent and signature may be evidenced by letter, telex, cable, electronic mail, facsimile, or otherwise as the Directors may from time to time resolve to permit) shall be as effective as a resolution passed at a meeting of members duly convened and held and may consist of several documents in the same terms each consented to by one or more members

DIRECTORS

10 The minimum number of Directors shall be one and Regulation 64 of Table A shall be modified accordingly. Whenever the number of Directors shall be one, a sole Director shall have authority to exercise all the powers and discretions by Table A and by these Articles expressed to be vested in the Directors generally, and Regulation 89 of Table A shall be modified accordingly

11 If and so long as any company is for the time being the holding company of the Company, the power to appoint Directors whether to fill casual vacancies or as an addition to the Board or otherwise, and the power to remove any Director, howsoever appointed, shall reside exclusively in such company. Any such appointment or removal shall be effected by instrument in writing signed on behalf of such company by one of its Directors duly authorised in that behalf and shall be effective forthwith upon the receipt of such instrument at the registered office of the Company

BORROWING POWERS

12 The Directors may exercise all the powers of the Company to borrow or raise money and to mortgage or charge the whole or any part of its undertaking, property and uncalled capital, and to issue debentures, debenture stock and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party

POWERS AND DUTIES OF DIRECTORS

13 No Director shall be disqualified from his office by reason of his contracting with the Company or holding any office (except that of Auditor) under or being employed by the Company nor shall any such contract, office, or employment or any contract or arrangement entered into by or on behalf of the Company with any company or partnership of or in which any Director shall be a Director or member or otherwise interested or any other matter in which any Director shall have any interest be affected or avoided or voidable by reason of his holding that office or of the fiduciary relationship thereby established and any Director so contracting, holding office or being employed or being so interested shall be counted in the quorum present at any meeting of the Directors and shall be entitled to deliberate and vote in respect of any

such contract, office, employment, arrangement or matter, provided always that his interest shall be disclosed in manner provided by Section 317 of the Act For the purpose of this Article, a general notice given to the Directors of the Company by a Director to the effect that he is a Director or member of a specified company or firm and is to be regarded as interested in any contracts made with that company or firm shall be deemed to be a sufficient declaration of interest in relation to any contract so made

14 (a) The Directors may establish or concur or join with any companies (being the holding company of the Company or subsidiary companies of such holding company or companies with which the Company is associated in business) in establishing and making contributions out of the Company's moneys to any schemes or funds for providing pensions, sickness or compassionate allowances, life assurance or other benefits for employees (which expression as used in this and the next following sub-Article shall include any Director who may hold or have held any executive office or other office or place of profit, or have been appointed to exercise special powers or authorities) and ex-employees of the Company and of any such other companies and their dependants, or any class or classes of such persons

(b) The Directors may pay, enter into agreements to pay or make grants (revocable or irrevocable and either subject or not subject to any terms or conditions) of pensions or other benefits to employees and ex-employees and their dependants, or to any of such persons, including pensions or benefits additional to those, if any, to which such employees or ex-employees or their dependants are or may become entitled under any such scheme or fund as mentioned in the last preceding sub-Article Any such pension or benefit may, as the Directors consider desirable, be granted to an employee either before and in anticipation of, or upon or at any time after, his actual retirement

Provided that if and so long as any company is for the time being the holding company of the Company the powers conferred by this Article shall be exercisable only with the prior consent in writing of such company

PROCEEDINGS OF DIRECTORS

15 Subject to the provisions of these Articles, a Director may participate in a meeting of the Board or of a committee of the Board by means of conference telephone or similar communications equipment whereby all the Directors participating in the meeting can hear each other, and the Directors participating in a meeting in this manner shall be deemed to be present in person at such meeting

16 A resolution in writing which has been consented to and signed by all the Directors entitled to receive notice of a meeting of Directors or of a committee of Directors (which consent and signature may be evidenced by letter, telex, cable, electronic mail, facsimile, or otherwise as the Directors may from time to time resolve to permit) shall be as effective as a resolution duly passed at a meeting of the Directors or (as the case may be) a committee of Directors duly convened and held and may consist of several documents in the same terms each consented to by one or more Directors but a resolution signed by an Alternate Director need not also be signed by his appointor, and if it is signed by a Director who has appointed an Alternate Director, it need not be signed by the Alternate Director in that capacity

DISQUALIFICATION OF DIRECTORS

17 No person shall be disqualified from being appointed a Director In accordance with the provisions of these Articles by reason of having attained the age of 70 years or any other age, nor shall special notice or other special formality be required on that account No Director shall vacate his office by reason only of age

ALTERNATE DIRECTORS

18 Any company entitled for the time being pursuant to Article 11 hereof to appoint and remove Directors of the Company shall be entitled to appoint any person to be an Alternate Director of the Company and to remove any Alternate Director so appointed, any such appointment or removal being effected in the manner provided in Article 11 An Alternate Director shall, except as regards remuneration, be subject to the provisions of these presents, with regard to Directors and shall (subject to his giving to the Company an address within the United Kingdom at which notices may be served on him) be entitled to receive notices of all meetings of the Directors and of all meetings of committees of Directors of which his appointer is a member and to attend and vote as a Director at any such meetings at which the Director for whom he is Alternate is not personally present and generally to exercise and discharge all of the functions, powers and duties of the Director for whom he is Alternate in the absence of such Director Any Director acting as Alternate shall have an additional vote for each Director for whom he acts as Alternate, but he shall count as only one for the purpose of determining, whether a quorum is present An Alternate Director shall ipso facto cease to be an Alternate Director if the Director for whom he is Alternate ceases for any reason to be a Director

INDEMNITY

19 Every Director or other officer of the Company shall be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or in connection with any application under Section 144 or Section 727 of the Act in which relief is granted to him by the Court, and no Director or other officer shall be liable for any loss damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office or in relation thereto But this Article shall only have effect in so far as its provisions are not avoided by Section 310 of the Act

20 The Directors shall have the power to purchase and maintain insurance for or for the benefit of any persons who are or were at any time Directors, officers, employees or Auditors of the Company or of any holding company of the Company or of any subsidiary undertaking of the Company or of such holding company, or who are or were at any time trustees of any pension or retirement benefit scheme for the benefit of any employees or ex-employees of the Company or of any subsidiary undertaking, including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution or discharge of their duties or in the exercise or purported exercise of their powers or otherwise in connection with their duties, powers or offices in relation to the Company or any such holding company or subsidiary undertaking or pension or retirement benefit scheme

SEAL

21 If the Company has a seal it shall only be used with the authority of the Directors or of a committee of Directors. The Directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a Director and by the Secretary or a second Director. The obligation under Clause 6 of Table A relating to the sealing of share certificates shall apply only if the Company has a seal. Clause 101 of Table A shall not apply to the Company.

HOLDING COMPANY

22 No person dealing with the Company shall be concerned to see or enquire as to whether the powers of the Directors have been in any way restricted hereunder or as to whether any requisite consent of a holding company has been obtained and shall not be effected or in any way prejudiced by any such restriction or lack of consent unless such person had at the time express notice that any act or transaction effected by or with the authority of the Directors was in excess of their powers.

23 If the Company has more than one holding company then for the purpose of these Articles references to its holding company shall be read and construed as references to its ultimate holding company.

24 The expressions "holding company" and "subsidiary" shall have the same meanings in these Articles as are ascribed thereto in Section 736 of the Act.

REGISTRATION NO.
200720201Z

Appendix 7 - Articles of Association of
HMH Drilling Asia Pte. Ltd.

THE COMPANIES ACT (CAP. 50)

PRIVATE COMPANY LIMITED BY SHARES

MEMORANDUM

AND

ARTICLES OF ASSOCIATION

OF

HMH DRILLING ASIA PTE. LTD.

~~BAKER HUGHES DRILLING ASIA PTE. LTD.~~

~~(w.e.f. 18 August 2020)~~

~~(fina GE DRILLING ASIA PTE. LTD.)~~

~~vide MRIW dated 17 August 2020~~

INCORPORATED ON THE 31ST DAY OF OCTOBER 2007

RAJAH & TANN
ADVOCATES & SOLICITORS
4 BATTERY ROAD
#15-01
BANK OF CHINA BUILDING
SINGAPORE 049908

THE COMPANIES ACT, CHAPTER 50 OF
SINGAPORE
The Companies Regulations
Sections 17(7), 26(2), 30(4), 31(1) and (2),
33(9), 34, 186 (1), 227B (1) and 290(2)/
Regulations 24 and 66

NOTICE OF RESOLUTION

Name of Company: **BAKER HUGHES DRILLING ASIA PTE. LTD.**

Company No: **200720201Z**

Accounting and Corporate Regulatory Authority
Singapore

At a general meeting of the sole Member of the abovenamed Company duly convened and held at 2 Benoi Road, Singapore 629876 on 1 January 2022, the special resolution set out below was duly passed:

CHANGE OF COMPANY NAME

RESOLVED:

That subject to the approval of the Accounting and Corporate Regulatory Authority, the name of the Company be changed to **HMH DRILLING ASIA PTE. LTD.** and that the name **HMH DRILLING ASIA PTE. LTD.** be substituted for **BAKER HUGHES DRILLING ASIA PTE. LTD.** wherever the latter name appears in the Constitution of the Company.



Name of Director:

MIRJI DHANANJAY PANDURANG

Name of Person who signed minutes:

-

Name of Authorised Representative who signed the resolution (if any): **KOH WEE LIP, JACKSON**

GE DRILLING ASIA PTE. LTD.
(Incorporated in the Republic of Singapore)
(the "Company")


**MEMBERS' RESOLUTIONS IN WRITING PURSUANT TO
SECTION 184G OF THE COMPANIES ACT**

We, the undersigned, being the sole shareholder beneficially entitled to the whole of the issued and paid up share capital of GE Drilling Asia Pte. Ltd. for the time being do hereby resolve as follows :-

SPECIAL RESOLUTION – CHANGE OF NAME OF THE COMPANY

IT WAS RESOLVED THAT subject to the approval of the Accounting and Corporate Regulatory Authority, the name of the Company be changed to **BAKER HUGHES DRILLING ASIA PTE. LTD.** and that the name of **BAKER HUGHES DRILLING ASIA PTE. LTD.** be substituted for the name of **GE DRILLING ASIA PTE. LTD.** whenever the latter name appears in the Company's Constitution.

Dated : 17 AUG 2020


Aria de Haer

Duly Appointed Authorised Representative
of **BAKER HUGHES ASIA HOLDINGS B.V.**



ACRA Officer
<ACRA_BIZFILE@acra.gov.sg>

10/31/2007 12:48 PM

To PECK.LING.NG@RAJAHTANN.COM

cc

bcc

Subject Email Notification

Dear Sir/Madam,

Company No. :200720201Z

NOTICE OF INCORPORATION

This is to confirm that HYDRIL PCB PRIVATE LTD. is incorporated under the Companies Act(Cap.50), on and from 31/10/2007 and that the Company is a PRIVATE COMPANY LIMITED BY SHARES.

Thank You

Accounting and Corporate Regulatory Authority (ACRA)
10 Anson Road
#05-01/15 International Plaza
Singapore 079903

This is a system-generated email. Please do not reply to this email.
If you have any enquiry, please visit our interactive web service at www.acra.gov.sg/askacra for more information.

THE COMPANIES ACT, CAP. 50

PRIVATE COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

of

HMH DRILLING ASIA PTE. LTD.

~~BAKER HUGHES DRILLING ASIA PTE. LTD.~~

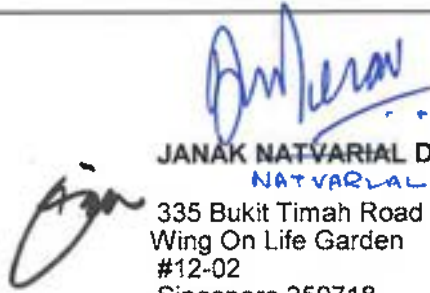

HMH DRILLING ASIA PTE. LTD.

~~BAKER HUGHES DRILLING ASIA PTE. LTD.~~

Amended by Special Resolution
passed on 1 January 2022


1. The name of the Company is
2. The Registered Office of the Company will be situated in the Republic of Singapore.
3. The liability of the members is limited.
4. Subject to the provisions of the Companies Act, Cap. 50, any other written law and the Memorandum and Articles of Association of the Company, the Company has:
 - (a) full capacity to carry on or undertake any business or activity, do any act or enter into any transaction; and
 - (b) for the purposes of paragraph (a), full rights, powers and privileges.

I/We, the person/several persons whose name(s), address(es) and description(s) are subscribed am/are desirous of being formed into a company in pursuance of this Memorandum of Association and I/we respectively agree to take the number of share(s) in the capital of the Company set opposite my name/our respective names.

Name(s), Address(es) and Description of Subscriber(s)	Number of Share(s) taken by the Subscriber(s)
 JANAK NATVARIAL DESAI NATVARIAL 335 Bukit Timah Road Wing On Life Garden #12-02 Singapore 259718 Director	 ONE (1)
TOTAL NUMBER OF SHARE(S) TAKEN	ONE (1)

Dated this **29 OCT 2007** day of 2007.

Witness to the above signature(s):


JULIET ANG
Advocate & Solicitor
Singapore
Name:
Title: Advocate & Solicitor / ☒ member of the Singapore Association of the Institute of Chartered Secretaries and Administrators

THE COMPANIES ACT, CAP. 50

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

**HMH DRILLING ASIA PTE. LTD.
~~BAKER HUGHES DRILLING ASIA PTE. LTD.~~**

PRELIMINARY

1. The regulations contained in Table "A" in the Fourth Schedule to the Companies Act, Cap. 50 shall not apply to the Company, but the following shall subject to repeal, addition and alteration as provided by the Act or these Articles be the regulations of the Company.

Table "A"
not to apply.

2. In these Articles, if not inconsistent with the subject or context, the words standing in the first column of the Table next hereinafter contained shall bear the meanings set opposite to them respectively in the second column thereof:-

Interpretation.

WORDS

MEANINGS

"The Act"	The Companies Act, Cap. 50 or any statutory modification, amendment or re-enactment thereof for the time being in force or any and every other act for the time being in force concerning companies and affecting the Company and any reference to any provision of the Act is to that provision as so modified, amended or re-enacted or contained in any such subsequent Companies Act.
"These Articles"	These Articles of Association or other regulations of the Company for the time being in force.
"The Company"	The abovenamed Company by whatever name from time to time called.
"Directors"	The Director(s) for the time being of the Company or such number of them as have authority to act for the Company.
"Director"	Includes any person acting as a Director of the Company and includes any person duly appointed and acting for the time being as an Alternate Director.
"Dividend"	Includes bonus.

"Member"	-- A Member of the Company (which shall, where the Act requires, exclude the Company where it is registered as a member by virtue of its holding shares as treasury shares).
"Month"	-- Calendar month.
"Office"	-- The Registered Office of the Company for the time being.
"Paid Up"	-- Includes credited as paid up.
"Register"	-- The Register of Members.
"Seal"	-- The Common Seal of the Company or in appropriate cases the Official Seal or duplicate Common Seal.
"Secretary"	-- The Secretary or Secretaries appointed under these Articles and shall include any person entitled to perform the duties of Secretary temporarily.
"Singapore"	-- The Republic of Singapore.
"Writing" and "Written"	-- Includes printing, lithography, typewriting and any other mode of representing or reproducing words in a visible form.
"Year"	-- Calendar Year.

Words denoting the singular number only shall include the plural and vice versa.

Words denoting the masculine gender only shall include the feminine gender.

Words denoting persons shall include corporations.

Save as aforesaid, any word or expression used in the Act and the Interpretation Act, Cap. 1 shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.

BUSINESS

3. Subject to the provisions of the Act, the Memorandum of Association of the Company or these Articles, any branch or kind of business may be undertaken by the Directors at such time or times as they shall think fit, and further may be suffered by them to be in abeyance, whether such branch or kind of business may have been actually commenced or not, so long as the Directors may deem it expedient not to commence or proceed with such branch or kind of business.

Any branch of business may be undertaken by Directors.

PRIVATE COMPANY

4. The Company is a private company, and accordingly:-

- (a) the number of the Members of the Company (not including persons who are in the employment of the Company or of its subsidiary and persons who having been formerly in the employment of the Company or of its subsidiary were while in the employment and have continued after the determination of that employment to be Members of the Company) shall be limited to fifty Provided that for the purposes of this provision where two or more persons hold one or more shares in the

Limited number of members and restrictions on transfer of shares.

Company jointly they shall be treated as a single Member; and

- (b) the right to transfer the shares of the Company shall be restricted in the manner hereinafter appearing.

SHARES

5. Except as is otherwise expressly permitted by the Act, the Company shall not give, whether directly or indirectly and whether by means of the making of a loan, the giving of a guarantee, the provision of security, the release of an obligation or the release of a debt or otherwise, any financial assistance for the purpose of, or in connection with, the acquisition or proposed acquisition of shares or units of shares in the Company or its holding company.

Prohibition
against financial
assistance.

6. The Company may, subject to and in accordance with the Act, purchase or otherwise acquire ordinary shares in the issued share capital of the Company on such terms and in such manner as the Company may from time to time think fit. The Company may deal with any such share which is so purchased or acquired by it in such manner as may be permitted by, and in accordance with, the Act (including without limitation, to hold such share as a treasury share).

Company may
acquire its
own issued
ordinary shares.

7. Save as provided by Section 161 of the Act, no shares may be issued by the Directors without the prior approval of the Company in General Meeting but subject thereto and to the provisions of these Articles, the Directors may allot or grant options over or otherwise dispose of the same to such persons on such terms and conditions (subject to the provisions of the Act) and at such time as the Company in General Meeting may approve.

Issue of Shares.

8. (a) The rights attached to shares issued upon special conditions shall be clearly defined in the Memorandum of Association or these Articles. Without prejudice to any special right previously conferred on the holders of any existing shares or class of shares but subject to the Act and these Articles, shares in the Company may be issued by the Directors and any such shares may be issued with such preferred, deferred, or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise as the Directors determine.

Special Rights.

(b) Notwithstanding anything in these Articles, a treasury share shall be subject to such rights and restrictions as may be prescribed in the Act and may be dealt with by the Company in such manner as may be permitted by, and in accordance with, the Act. For the avoidance of doubt, save as expressly permitted by the Act, the Company shall not be entitled to any rights of a Member under these Articles.

Treasury shares

9. If at any time the share capital is divided into different classes, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may subject to the provisions of the Act, whether or not the Company is being wound up, be varied or abrogated with the sanction of a Special Resolution passed at a separate General Meeting of the holders of shares of the class and to every such Special Resolution the provisions of Section 184 of the Act shall with such adaptations as are necessary apply. To every such separate General Meeting the provisions of these Articles relating to General Meetings shall mutatis mutandis apply; but so that the necessary quorum shall be person(s) at least holding or representing by proxy or by attorney one-third of the issued shares of the class and that any holder of shares of the class present in person or by proxy or by attorney may demand a poll Provided always that where the necessary majority for such a Special Resolution is not obtained at the Meeting, consent in writing if obtained from the holders of three-fourths of the issued shares of the class concerned, within two months of the Meeting shall be as valid and effectual as a Special Resolution, carried at the Meeting.

Variation of rights.

- | | |
|---|---|
| <p>10. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall, unless otherwise expressly provided by the terms of issue of the shares of that class or by these Articles as are in force at the time of such issue, be deemed to be varied by the creation or issue of further shares ranking equally therewith.</p> | <p>Creation or issue of further shares with special rights.</p> |
| <p>11. The Company may pay commissions or brokerage on any issue of shares at such rate or amount and in such manner as the Directors may deem fit. Such commissions or brokerage may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other.</p> | <p>Power to pay commission and brokerage.</p> |
| <p>12. If any shares of the Company are issued for the purpose of raising money to defray the expenses of the construction of any works or the provisions of any plant which cannot be made profitable for a long period, the Company may, subject to the conditions and restrictions mentioned in the Act pay interest on so much of the share capital as is for the time being paid up and may charge the same to capital as part of the cost of the construction or provision.</p> | <p>Power to charge interest on capital.</p> |
| <p>13. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust and the Company shall not be bound by or compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share or (except only as by these Articles or by law otherwise provided) any other rights in respect of any share, except an absolute right to the entirety thereof in the registered holder.</p> | <p>Exclusion of equities.</p> |
| <p>14. If two or more persons are registered as joint holders of any share any one of such persons may give effectual receipts for any dividend payable in respect of such share and the joint holders of a share shall, subject to the provisions of the Act, be severally as well as jointly liable for the payment of all instalments and calls and interest due in respect of such shares. Such joint holders shall be deemed to be one Member and the delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.</p> | <p>Joint holders.</p> |
| <p>15. No person shall be recognised by the Company as having title to a fractional part of a share or otherwise than as the sole or a joint holder of the entirety of such share.</p> | <p>Fractional part of a share.</p> |
| <p>16. If by the conditions of allotment of any shares the whole or any part of the amount of the issue price thereof shall be payable by instalments every such instalment shall, when due, be paid to the Company by the person who for the time being shall be the registered holder of the share or his personal representatives, but this provision shall not affect the liability of any allottee who may have agreed to pay the same.</p> | <p>Payment of instalments.</p> |
| <p>17. The certificate of title to shares in the capital of the Company shall be issued under the Seal in such form as the Directors shall from time to time prescribe and shall bear the autographic or facsimile signatures of at least one Director and the Secretary or a second Director or some other person appointed by the Directors, and shall specify the number and class of shares to which it relates and the amount paid on the shares, the amount (if any) unpaid on the shares and the extent to which the shares are paid up. The facsimile signatures may be reproduced by mechanical or other means provided the method or system of reproducing signatures has first been approved by the Auditors of the Company.</p> | <p>Share Certificates.</p> |
| <p>18. Every person whose name is entered as a Member in the Register shall be entitled within two months after allotment or within one month after the lodgment of any transfer to one certificate for all his shares of any one class or to several certificates</p> | <p>Entitlement to certificates.</p> |

in reasonable denominations each for a part of the shares so allotted or transferred. Where a Member transfers part only of the shares comprised in a certificate or where a Member requires the Company to cancel any certificate or certificates and issue new certificates for the purpose of subdividing his holding in a different manner the old certificate or certificates shall be cancelled and a new certificate or certificates for the balance of such shares issued in lieu thereof and the Member shall pay a fee not exceeding \$2/- for each such new certificate as the Directors may determine.

19. If any certificate or other document of title to shares or debentures be worn out or defaced, then upon production thereof to the Directors, they may order the same to be cancelled and may issue a new certificate in lieu thereof. For every certificate so issued there shall be paid to the Company the amount of the proper duty, if any, with which such certificate is chargeable under any law for the time being in force relating to stamps together with a further fee not exceeding \$2/- as the Directors may determine. Subject to the provisions of the Act and the requirements of the Directors thereunder, if any certificate or document be lost or destroyed or stolen, then upon proof thereof to the satisfaction of the Directors and on such indemnity as the Directors deem adequate being given, and on the payment of the amount of the proper duty with which such certificate or document is chargeable under any law for the time being in force relating to stamps together with a further fee not exceeding \$2/- as the Directors may determine, a new certificate or document in lieu thereof shall be given to the person entitled to such lost or destroyed or stolen certificate or document.

New certificates may be issued.

RESTRICTION ON TRANSFER OF SHARES

20. Subject to the restrictions of these Articles, any Member may transfer all or any of his shares, but every transfer must be in writing and in the usual common form, or in any other form which the Directors may approve. The instrument of transfer of a share shall be signed both by the transferor and by the transferee, and by the witness or witnesses thereto and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register in respect thereof. Shares of different classes shall not be comprised in the same instrument of transfer.

Form of Transfer.

21. All instruments of transfer which shall be registered shall be retained by the Company, but any instrument of transfer which the Directors may refuse to register shall (except in any case of fraud) be returned to the party presenting the same.

Retention of Transfers.

22. No share shall in any circumstances be transferred to any infant or bankrupt or person of unsound mind.

Infant, bankrupt or unsound mind.

23. The Directors may, in their absolute discretion, decline to register any transfer of shares on which the Company has a lien or to a person of whom they do not approve but shall in such event, within one month after the date on which the transfer was lodged with the Company send to the transferor and transferee notice of the refusal. If the Directors refuse to register a transfer they shall within one month of the date of application for the transfer by notice in writing to the applicant state the facts which are considered to justify the refusal to register the transfer.

Directors' power to decline to register.

24. The Directors may decline to register any instrument of transfer of shares unless:-

Instrument of transfer.

- (a) such fee not exceeding \$2/- or such other sum as the Directors may from time to time require under the provisions of these Articles, is paid to the Company in respect thereof;
- (b) the amount of proper duty (if any) with which each instrument of transfer of shares is chargeable under any law for the time being in force relating to stamps is paid; and

- (c) the instrument of transfer is deposited at the Office or at such other place (if any) as the Directors may appoint accompanied by a certificate of payment of stamp duty (if any), the certificates of the shares to which the transfer relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer and, if the instrument of transfer is executed by some other person on his behalf, the authority of the person so to do.

25. The Company shall provide a book to be called "Register of Transfers" which shall be kept under the control of the Directors, and in which shall be entered the particulars of every transfer of shares.

Register of Transfers.

26. The Register may be closed at such times and for such periods as the Directors may from time to time determine not exceeding in the whole thirty days in any year.

Closure of Register.

TRANSMISSION OF SHARES

27. In case of the death of a Member, the survivor or survivors, where the deceased was a joint holder, and the executors or administrators of the deceased, where he was a sole or only surviving holder, shall be the only persons recognised by the Company as having any title to his interest in the shares, but nothing herein shall release the estate of a deceased Member (whether sole or joint) from any liability in respect of any share held by him.

Transmission on death.

28. Any person becoming entitled to a share in consequence of the death or bankruptcy of any Member may, upon producing such evidence of title as the Directors shall require, be registered himself as holder of the share upon giving to the Company notice in writing of such his desire or transfer such share to some other person. If the person so becoming entitled shall elect to be registered himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. If he shall elect to have another person registered he shall testify his election by executing to that person a transfer of the share. All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the Member had not occurred and the notice or transfer were a transfer executed by such Member.

Persons becoming entitled on death or bankruptcy of Member may be registered.

29. Save as otherwise provided by or in accordance with these Articles a person becoming entitled to a share in consequence of the death or bankruptcy of a Member shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share except that he shall not be entitled in respect thereof to exercise any right conferred by membership in relation to Meetings of the Company until he shall have been registered as a Member in respect of the share.

Rights of unregistered executors and trustees.

30. There shall be paid to the Company in respect of the registration of any probate, letters of administration, certificate of marriage or death, power of attorney or other document relating to or affecting the title to any shares, such fee not exceeding \$2/- as the Directors may from time to time require or prescribe.

Fee for registration of probate etc.

CALLS ON SHARES

31. The Directors may from time to time make such calls as they think fit upon the Members in respect of any moneys unpaid on their shares and not by the terms of the issue thereof made payable at fixed times, and each Member shall (subject to

Calls on shares.

receiving at least fourteen days' notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares. A call may be revoked or postponed as the Directors may determine.

32. A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed and may be made payable by instalments. Time when made.

33. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum due from the day appointed for payment thereof to the time of actual payment at such rate not exceeding ten per cent per annum as the Directors determine, but the Directors shall be at liberty to waive payment of such interest wholly or in part. Interest on calls.

34. Any sum which by the terms of issue of a share becomes payable upon allotment or at any fixed date, shall for all purposes of these Articles be deemed to be a call duly made and payable on the date, on which, by the terms of issue, the same becomes payable, and in case of non-payment all the relevant provisions of the Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified. Sum due on allotment.

35. The Directors may on the issue of shares differentiate between the holders as to the amount of calls to be paid and the times of payments. Power to differentiate.

36. The Directors may, if they think fit, receive from any Member willing to advance the same all or any part of the moneys uncalled and unpaid upon the shares held by him and such payments in advance of calls shall extinguish, so far as the same shall extend, the liability upon the shares in respect of which it is made, and upon the moneys so received or so much thereof as from time to time exceeds the amount of the calls then made upon the shares concerned the Company may pay interest at such rate not exceeding ten per cent per annum as the Member paying such sum and the Directors agree upon. Payment in advance of calls.

FORFEITURE AND LIEN

37. If any Member fails to pay in full any call or instalment of a call on the day appointed for payment thereof, the Directors may at any time thereafter serve a notice on such Member requiring payment of so much of the call or instalment as is unpaid together with any interest and expenses which may have accrued. Notice requiring payment of calls.

38. The notice shall name a further day (not being less than fourteen days from the date of service of the notice) on or before which and the place where the payment required by the notice is to be made, and shall state that in the event of non-payment in accordance therewith the shares on which the call was made will be liable to be forfeited. Notice to state time and place.

39. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given may at any time thereafter, before payment of all calls and interest and expenses due in respect thereof be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited share and not actually paid before the forfeiture. The Directors may accept a surrender of any share liable to be forfeited hereunder. Forfeiture on non-compliance with notice.

40. A share so forfeited or surrendered shall become the property of the Company and may be sold, re-allotted or otherwise disposed of either to the person who was before such forfeiture or surrender the holder thereof or entitled thereto, or to any Sale of shares forfeited.

other person, upon such terms and in such manner as the Directors shall think fit, and at any time before a sale, re-allotment or disposition the forfeiture or surrender may be cancelled on such terms as the Directors think fit. To give effect to any such sale, the Directors may, if necessary, authorise some person to transfer a forfeited or surrendered share to any such person as aforesaid.

41. A Member whose shares have been forfeited or surrendered shall cease to be a Member in respect of the shares, but shall notwithstanding the forfeiture or surrender remain liable to pay to the Company all moneys which at the date of forfeiture or surrender were payable by him to the Company in respect of the shares with interest thereon at ten per cent per annum (or such lower rate as the Directors may approve) from the date of forfeiture or surrender until payment, but such liability shall cease if and when the Company receives payment in full of all such money in respect of the shares and the Directors may waive payment of such interest either wholly or in part.

Rights and liabilities of Members whose shares have been forfeited or surrendered.

42. The Company shall have a first and paramount lien and charge on every share (not being a fully paid share) registered in the name of each Member (whether solely or jointly with others) and on the dividends declared or payable in respect thereof for all calls and instalments due on any such share and interest and expenses thereon but such lien shall only be upon the specific shares in respect of which such calls or instalments are due and unpaid and on all dividends from time to time declared in respect of the shares. The Directors may resolve that any share shall for some specified period be exempt from the provisions of this Article.

Company's lien.

43. The Company may sell in such manner as the Directors think fit any share on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable nor until the expiration of fourteen days after notice in writing stating and demanding payment of the sum payable and giving notice of intention to sell in default, shall have been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or bankruptcy. To give effect to any such sale, the Directors may authorise some person to transfer the shares sold to the purchaser thereof.

Sale of shares subject to lien.

44. The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.

Application of proceeds of such sale.

45. A statutory declaration in writing that the declarant is a Director of the Company and that a share has been duly forfeited or surrendered or sold to satisfy a lien of the Company on a date stated in the declaration shall be conclusive evidence of the facts stated therein as against all persons claiming to be entitled to the share, and such declaration and the receipt of the Company for the consideration (if any) given for the share on the sale, re-allotment or disposal thereof together with the certificate of proprietorship of the share under Seal delivered to a purchaser or allottee thereof shall (subject to the execution of a transfer if the same be required) constitute a good title to the share and the person to whom the share is sold, re-allotted or disposed of shall be registered as the holder of the share and shall not be bound to see to the application of the purchase money (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, surrender, sale, re-allotment or disposal of the share.

Title to shares forfeited or surrendered or sold to satisfy a lien.

ALTERATION OF CAPITAL

46. Subject to any special rights for the time being attached to any existing class of shares, any new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the General Meeting resolving upon

Rights and privileges of

the creation thereof shall direct and if no direction be given as the Directors shall determine subject to the provisions of these Articles and in particular (but without prejudice to the generality of the foregoing) such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company or otherwise.

new shares.

47. Unless otherwise determined by the Company in General Meeting any original shares for the time being unissued and any new shares from time to time to be created shall before issue be offered in the first instance to all the then holders of any class of shares in proportion as nearly as may be to the number of shares held by them. In offering such shares in the first instance to all the then holders of any class of shares the offer shall be made by notice specifying the number of shares offered and limiting the time within which the offer if not accepted will be deemed to be declined and after the expiration of that time or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares offered, the Directors may dispose of those shares in such manner as they think most beneficial to the Company and the Directors may dispose of or not issue any such shares which by reason of the proportion borne by them to the number of holders entitled to any such offer or by reason of any other difficulty in apportioning the same cannot, in the opinion of the Directors, be conveniently offered under this Article.

Issue of new shares to Members.

48. Except so far as otherwise provided by the conditions of issue or by these Articles all new shares shall be subject to the provisions of these Articles with reference to allotments, payment of calls, lien, transfer, transmission, forfeiture and otherwise.

New shares otherwise subject to provisions of Articles.

49. The Company may by Ordinary Resolution:-

Power to consolidate, cancel and subdivide shares.

- (a) consolidate and divide all or any of its share capital;
- (b) cancel any shares which, at the date of the passing of the Resolution, have not been taken or agreed to be taken by any person or which have been forfeited and diminish the amount of its share capital accordingly;
- (c) subdivide its shares or any of them (subject nevertheless to the provisions of the Act) provided always that in such subdivision the proportion between the amount paid and the amount (if any) unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived; and
- (d) subject to the provisions of these Articles and the Act, convert any class of shares into any other class of shares.

50. The Company may reduce its share capital in accordance with the provisions of the Act and any other applicable law.

Power to reduce capital.

STOCK

51. The Company may by Ordinary Resolution convert any paid up shares into stock and may from time to time by like resolution reconvert any stock into paid up shares.

Power to convert into stock.

52. The holders of stock may transfer the same or any part thereof in the same manner and subject to the same Articles as and subject to which the shares from which the stock arose might previously to conversion have been transferred or as near thereto as circumstances admit but no stock shall be transferable except in such units as the Directors may from time to time determine.

Transfer of stock.

53. The holders of stock shall, according to the number of stock units held by them, have the same rights, privileges and advantages as regards dividend, return of capital, voting and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except as regards dividend and return of capital and the assets on winding up) shall be conferred by any number of stock units which would not if existing in shares have conferred that privilege or advantage; and no such conversion shall affect or prejudice any preference or other special privileges attached to the shares so converted.

Rights of stockholders.

54. All such of the provisions of these Articles as are applicable to paid up shares shall apply to stock and the words "share" and "shareholder" or similar expressions herein shall include "stock" or "stockholder".

Interpretation.

GENERAL MEETINGS

55. In accordance with and subject to the provisions of the Act, the Company shall hold a general meeting as its Annual General Meeting (unless such meeting has been dispensed with in accordance with the provisions of the Act) in addition to any other meetings in that year.

Annual General Meeting.

56. (a) All General Meetings other than Annual General Meetings shall be called Extraordinary General Meetings.

Extraordinary General Meetings.

(b) The time and place of any General Meeting shall be determined by the Directors.

Time and Place.

57. The Directors may, whenever they think fit, convene an Extraordinary General Meeting and Extraordinary General Meetings shall also be convened on such requisition or, in default, may be convened by such requisitionists, as provided by Section 176 of the Act. If at any time there are not within Singapore sufficient Directors capable of acting to form a quorum at a meeting of Directors, any Director may convene an Extraordinary General Meeting in the same manner as nearly as possible as that in which meetings may be convened by the Directors.

Calling Extraordinary General Meetings.

NOTICE OF GENERAL MEETINGS

58. Subject to the provisions of the Act as to Special Resolutions and special notice, at least fourteen days' notice in writing (exclusive both of the day on which the notice is served or deemed to be served and of the day for which the notice is given) of every General Meeting shall be given in the manner hereinafter mentioned to such persons (including the Auditors) as are under the provisions herein contained entitled to receive notice from the Company. Provided that a General Meeting notwithstanding that it has been called by a shorter notice than that specified above shall be deemed to have been duly called if it is so agreed:-

Notice of Meetings.

- (a) in the case of an Annual General Meeting, by all the Members entitled to attend and vote thereat; and
- (b) in the case of an Extraordinary General Meeting, by a majority in number of the Members having a right to attend and vote thereat, being a majority together holding not less than 95 per cent of the total voting rights of all the Members having a right to vote at that meeting.

Provided also that the accidental omission to give notice to, or the non-receipt by, any person entitled thereto shall not invalidate the proceedings at any General Meeting.

59. (a) Every notice calling a General Meeting shall specify the place and the day and hour of the Meeting, and there shall appear with reasonable prominence in every such notice a statement that a Member entitled to attend and vote is entitled to appoint a proxy to attend and to vote instead of him and that a proxy need not be a Member of the Company.

Contents
of notice.

(b) In the case of an Annual General Meeting, the notice shall also specify the Meeting as such.

(c) In the case of any General Meeting at which business other than routine business is to be transacted, the notice shall specify the general nature of the business; and if any resolution is to be proposed as a Special Resolution or as requiring special notice, the notice shall contain a statement to that effect.

60. Routine business shall mean and include only business transacted at an Annual General Meeting of the following classes, that is to say:-

Routine
Business.

- (a) Declaring dividends;
- (b) Reading, considering and adopting the balance sheet, the reports of the Directors and Auditors, and other accounts and documents required to be annexed to the balance sheet;
- (c) Appointing Auditors and fixing the remuneration of Auditors or determining the manner in which such remuneration is to be fixed; and
- (d) Fixing the remuneration of the Directors proposed to be paid under Article 86.

PROCEEDINGS AT GENERAL MEETINGS

61. (a) No business other than the appointment of a chairman shall be transacted at any General Meeting unless a quorum is present at the time when the meeting proceeds to business. Save as herein otherwise provided, two Members shall form a quorum, but in the event of the Company having only one Member (whether an individual or a corporation being beneficially entitled to the whole of the issued capital of the Company), such individual Member or a person representing such corporation shall be a quorum and shall be deemed to constitute a Meeting. If applicable, the provisions of Section 179 of the Act shall apply. For the purpose of this Article, "Member" includes a person attending by proxy or by attorney or as representing a corporation which is a Member. Provided that (a) a proxy representing more than one Member shall only count as one Member for the purpose of determining the quorum; and (b) where a Member is represented by more than one proxy such proxies shall count as only one Member for the purpose of determining the quorum.

Quorum.

(b) If within half an hour from the time appointed for the Meeting a quorum is not present, the Meeting if convened on the requisition of Members shall be dissolved. In any other case it shall stand adjourned to the same day in the next week at the same time and place, or to such other day and at such other time and place as the Directors may determine, and if at such adjourned Meeting a quorum is not present within fifteen minutes from the time appointed for holding the Meeting, the Meeting shall be dissolved. No notice of any such adjournment as aforesaid shall be required to be given to the Members.

Adjournment
if quorum
not present.

62. Subject to the provisions of the Act, the Members may participate in a General Meeting by conference telephone or by means of a similar communication

Participation in
a Meeting

equipment whereby all persons participating in the meeting are able to hear each other in which event such Members shall be deemed to be present at the meeting. A Member participating in a meeting in the manner aforesaid may also be taken into account in ascertaining the presence of a quorum at the meeting. Such a meeting shall be deemed to take place where the largest group of Members present for purposes of the meeting is assembled or, if there is no such group, where the Chairman is present.

by conference telephone.

63. A resolution in writing may be passed by the Members in accordance with the provisions of the Act and may consist of several documents in the like form, each signed by one or more of such Members.

Resolution in writing.

64. The Chairman of the Board of Directors shall preside as Chairman at every General Meeting. If there be no such Chairman or if at any Meeting he be not present within fifteen minutes after the time appointed for holding the Meeting or be unwilling to act, the Members present shall choose some Director to be Chairman of the Meeting or, if no Director be present or if all the Directors present decline to take the Chair, one of their number present, to be Chairman.

Chairman.

65. The Chairman may, with the consent of any Meeting at which a quorum is present (and shall if so directed by the Meeting) adjourn the Meeting from time to time and from place to place, but no business shall be transacted at any adjourned Meeting except business which might lawfully have been transacted at the Meeting from which the adjournment took place. When a Meeting is adjourned for thirty days or more, notice of the adjourned Meeting shall be given as in the case of the original Meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned Meeting.

Adjournment.

66. At any General Meeting a resolution put to the vote of the Meeting shall be decided on a show of hands unless a poll be (before or on the declaration of the result of the show of hands) demanded:-

Method of voting.

- (a) by the Chairman (being a person entitled to vote thereat); or
- (b) by at least one Member present in person or by proxy or by attorney or in the case of a corporation by a representative and entitled to vote thereat; or
- (c) by any Member or Members present in person or by proxy or by attorney or in the case of a corporation by a representative and representing not less than one-tenth of the total voting rights of all the Members having the right to vote at the Meeting; or
- (d) by a Member or Members present in person or by proxy or by attorney or in the case of a corporation by a representative, holding shares in the Company conferring a right to vote at the Meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right;

Provided always that no poll shall be demanded on the election of a Chairman or on a question of adjournment. Unless a poll be so demanded (and the demand be not withdrawn) a declaration by the Chairman that a resolution has been carried or carried unanimously or by a particular majority or lost and an entry to that effect in the minute book shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution. A demand for a poll may be withdrawn.

67. If a poll be duly demanded (and the demand be not withdrawn) it shall be taken in such manner (including the use of ballot or voting papers or tickets) as the Chairman may direct and the result of a poll shall be deemed to be the resolution of the Meeting at which the poll was demanded. The Chairman may, and if so requested shall, appoint scrutineers and may adjourn the Meeting to some place and time fixed by him for the purpose of declaring the result of the poll. Taking a poll.
68. If any votes be counted which ought not to have been counted or might have been rejected, the error shall not vitiate the result of the voting unless it be pointed out at the same Meeting or at any adjournment thereof and not in any case unless it shall in the opinion of the Chairman be of sufficient magnitude. Votes counted in error.
69. In the case of equality of votes, whether on a show of hands or on a poll, the Chairman of the Meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a casting vote. Chairman's casting vote.
70. A poll demanded on any question shall be taken either immediately or at such subsequent time (not being more than thirty days from the date of the Meeting) and place as the Chairman may direct. No notice need be given of a poll not taken immediately. Time for taking a poll.
71. The demand for a poll shall not prevent the continuance of a Meeting for the transaction of any business, other than the question on which the poll has been demanded. Continuance of business after demand for a poll.

VOTES OF MEMBERS

72. Subject to the Act, these Articles and to any special rights or restrictions as to voting attached to any class of shares hereinafter issued on a show of hands every Member who is present in person or by proxy or attorney or in the case of a corporation by a representative shall have one vote (provided that in the case of a Member who is represented by two proxies, only one of the two proxies as determined by that Member or, failing such determination, by the Chairman of the meeting (or by a person authorised by him) in his sole discretion shall be entitled to vote on a show of hands) and on a poll every such Member shall have one vote for every share of which he is the holder. Voting rights of Members.
73. Where there are joint registered holders of any share any one of such persons may vote and be reckoned in a quorum at any Meeting either personally or by proxy or by attorney or in the case of a corporation by a representative as if he were solely entitled thereto and if more than one of such joint holders be so present at any Meeting that one of such persons so present whose name stands first in the Register in respect of such share shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased Member in whose name any share stands shall for the purpose of this Article be deemed joint holders thereof. Voting rights of joint holders.
74. A Member of unsound mind or whose person or estate is liable to be dealt with in any way under the law relating to mental disorders may vote whether on a show of hands or on a poll by his committee, curator bonis or such other person as properly has the management of his estate and any such committee, curator bonis or other person may vote by proxy or attorney, provided that such evidence as the Directors may require of the authority of the person claiming to vote shall have been deposited at the Office not less than forty eight hours before the time appointed for holding the Meeting. Voting rights of Members of unsound mind.

75. Subject to the provisions of the Act and these Articles, every Member shall be entitled to be present and to vote at any General Meeting either personally or by proxy or by attorney or in the case of a corporation by a representative and to be reckoned in a quorum in respect of shares fully paid and in respect of partly paid shares where calls are not due and unpaid. Right to vote.
76. No objection shall be raised to the qualification of any voter except at the Meeting or adjourned Meeting at which the vote objected to is given or tendered and every vote not disallowed at such Meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the Meeting whose decision shall be final and conclusive. Objections.
77. On a poll votes may be given either personally or by proxy or by attorney or in the case of a corporation by its representative and a person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way. Votes on a poll.
78. An instrument appointing a proxy shall be in writing and:- Appointment of proxies.
- (a) in the case of an individual shall be signed by the appointor or by his attorney; and
 - (b) in the case of a corporation shall be either under the common seal or signed by its attorney or by an officer on behalf of the corporation.
- The Directors may, but shall not be bound to, require evidence of the authority of any such attorney or officer.
79. A proxy need not be a Member of the Company. Proxy need not be a Member.
80. An instrument appointing a proxy or the power of attorney or other authority, if any, must be left at the Office or such other place (if any) as is specified for the purpose in the notice convening the Meeting not less than forty-eight hours before the time appointed for the holding of the Meeting or adjourned Meeting (or in the case of a poll before the time appointed for the taking of the poll) at which it is to be used and in default shall not be treated as valid unless the Directors otherwise determine. Deposit of proxies.
81. An instrument appointing a proxy shall be in the following form with such variations if any as circumstances may require or in such other form as the Directors may accept and shall be deemed to include the right to demand or join in demanding a poll:- Form of proxies.

GE DRILLING ASIA PTE. LTD.
(w.e.f. 1 January 2016)
(By way of a Special Resolutions dated 30 December 2015)

"I/We,
of
a Member/Members of the abovenamed Company
hereby appoint
of
or whom failing
of
to vote for me/us and on my/our behalf
at the (Annual, Extraordinary or Adjourned,
as the case may be) General Meeting of
the Company to be held on the day
of and at every adjournment

thereof.

Dated this day of 20 .

An instrument appointing a proxy shall, unless the contrary is stated thereon, be valid as well for any adjournment of the Meeting as for the Meeting to which it relates and need not be witnessed.

82. A vote given in accordance with the terms of an instrument of proxy (which for the purposes of these Articles shall also include a power of attorney) shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy, or of the authority under which the proxy was executed or the transfer of the share in respect of which the proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at the Office (or such other place as may be specified for the deposit of instruments appointing proxies) before the commencement of the Meeting or adjourned Meeting (or in the case of a poll before the time appointed for the taking of the poll) at which the proxy is used.

Intervening
death or
insanity of
principal not
to revoke proxy.

83. Any corporation which is a Member of the Company may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any Meeting of the Company or of any class of Members of the Company and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation as the corporation could exercise if it were an individual Member of the Company.

Corporations
acting by
representatives.

DIRECTORS

84. Subject to the other provisions of Section 145 of the Act, the Company shall have at least one Director, and all Directors shall be natural persons.

Number of
Directors.

85. A Director need not be a Member and shall not be required to hold any share qualification unless and until otherwise determined by the Company in General Meeting but shall be entitled to attend and speak at General Meetings.

Qualification.

86. Subject to Section 169 of the Act, the remuneration of the Directors shall be determined from time to time by the Company in General Meeting, and shall be divisible among the Directors in such proportions and manner as they may agree and in default of agreement equally, except that in the latter event any Director who shall hold office for part only of the period in respect of which such remuneration is payable shall be entitled only to rank in such division for the proportion of remuneration related to the period during which he has held office.

Remuneration of
Directors.

87. The Directors shall be entitled to be repaid all travelling or such reasonable expenses as may be incurred in attending and returning from meetings of the Directors or of any committee of the Directors or General Meetings or otherwise howsoever in or about the business of the Company in the course of the performance of their duties as Directors.

Travelling
expenses.

88. Any Director who is appointed to any executive office or serves on any committee or who otherwise performs or renders services, which in the opinion of the Directors are outside his ordinary duties as a Director, may, subject to Section 169 of the Act, be paid such extra remuneration as the Directors may determine.

Extra
Remuneration.

89. Other than the office of Auditor (or Secretary in the case of the Company having only one Director), a Director may hold any other office or place of profit under the Company and he or any firm of which he is a member may act in a professional capacity for the Company in conjunction with his office of Director for such period and on such terms (as to remuneration and otherwise) as the Directors may determine. Subject to the Act, no Director or intending Director shall be disqualified by his

Power of
Directors to
hold office of
profit and to
contract with
Company.

office from contracting or entering into any arrangement with the Company either as vendor, purchaser or otherwise nor shall such contract or arrangement or any contract or arrangement entered into by or on behalf of the Company in which any Director shall be in any way interested be avoided nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason only of such Director holding that office or of the fiduciary relation thereby established.

90. Every Director shall observe the provisions of Section 156 of the Act relating to the disclosure of the interests of the Directors in transactions or proposed transactions with the Company or of any office or property held by a Director which might create duties or interests in conflict with his duties or interests as a Director. Subject to such disclosure, a Director shall be entitled to vote in respect of any transaction or arrangement in which he is interested and he shall be taken into account in ascertaining whether a quorum is present.

Directors to observe Section 156 of the Act.

91. (a) A Director may be or become a director of or hold any office or place of profit (other than as Auditor or Secretary in the case of the Company having only one Director) or be otherwise interested in any company in which the Company may be interested as vendor, purchaser, shareholder or otherwise and unless otherwise agreed shall not be accountable for any fees, remuneration or other benefits received by him as a director or officer of or by virtue of his interest in such other company.

Holding of office in other companies.

(b) The Directors may exercise the voting power conferred by the shares in any company held or owned by the Company in such manner and in all respects as the Directors think fit in the interests of the Company (including the exercise thereof in favour of any resolution appointing the Directors or any of them to be directors of such company or voting or providing for the payment of remuneration to the directors of such company) and any such Director of the Company may vote in favour of the exercise of such voting powers in the manner aforesaid notwithstanding that he may be or be about to be appointed a director of such other company.

Directors may exercise voting power conferred by Company's shares in another company.

MANAGING DIRECTORS

92. The Directors may from time to time appoint one or more of their body to be Managing Director or Managing Directors of the Company and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their places.

Appointment of Managing Directors.

93. A Managing Director shall subject to the provisions of any contract between him and the Company be subject to the same provisions as to resignation and removal as the other Directors of the Company and if he ceases to hold the office of Director from any cause he shall ipso facto and immediately cease to be a Managing Director.

Resignation and removal of Managing Director.

94. The remuneration of a Managing Director shall from time to time be fixed by the Directors and may subject to these Articles be by way of salary or commission or participation in profits or by any or all of these modes.

Remuneration of Managing Director.

95. The Directors may from time to time entrust to and confer upon a Managing Director for the time being such of the powers exercisable under these Articles by the Directors as they may think fit and may confer such powers for such time and to be exercised on such terms and conditions and with such restrictions as they think expedient and they may confer such powers either collaterally with or to the exclusion of and in substitution for all or any of the powers of the Directors in that behalf and may from time to time revoke withdraw alter or vary all or any of such powers.

Powers of Managing Director.

VACATION OF OFFICE OF DIRECTOR

96. The office of a Director shall be vacated in any one of the following events, namely:-

Vacation of
office of Director.

- (a) if he becomes prohibited from being a Director by reason of any order made under the Act;
- (b) if he ceases to be a Director by virtue of any of the provisions of the Act or these Articles;
- (c) if he resigns by writing under his hand left at the Office;
- (d) if he has a receiving order made against him or suspends payments or compounds with his creditors generally; or
- (e) if he is found lunatic or becomes of unsound mind.

APPOINTMENT AND REMOVAL OF DIRECTORS

97. The Company may by Ordinary Resolution remove any Director before the expiration of his period of office, notwithstanding anything in these Articles or in any agreement between the Company and such Director.

Removal of
Directors.

98. The Company may by Ordinary Resolution appoint another person in place of a Director removed from office under the immediately preceding Article.

Appointment
in place of
Director removed.

99. The Directors shall have power at any time and from time to time to appoint any person to be a Director either to fill a casual vacancy or as an additional Director but so that the total number of Directors shall not at any time exceed the maximum number fixed by or in accordance with these Articles.

Directors' power
to fill casual
vacancies and to
appoint additional
Director.

ALTERNATE DIRECTORS

100. (a) Any Director may at any time by writing under his hand and deposited at the Office or by telefax, telex, cable or electronic mail sent to the Secretary appoint any person to be his Alternate Director and may in like manner at any time terminate such appointment. Any appointment or removal by telefax, telex, cable or electronic mail shall be confirmed as soon as possible by letter, but may be acted upon by the Company meanwhile.

Appointment
of Alternate
Directors.

(b) A Director or any other person may act as an Alternate Director to represent more than one Director and such Alternate Director shall be entitled at Directors' meetings to one vote for every Director whom he represents in addition to his own vote if he is a Director.

(c) The appointment of an Alternate Director shall ipso facto determine on the happening of any event which if he were a Director would render his office as a Director to be vacated and his appointment shall also determine ipso facto if his appointor ceases for any reason to be a Director.

(d) An Alternate Director shall be entitled to receive notices of meetings of the Directors and to attend and vote as a Director at any such meeting at which the Director appointing him is not personally present and generally, if his appointor

is absent from Singapore or is otherwise unable to act as such Director, to perform all functions of his appointor as a Director (except the power to appoint an Alternate Director) and to sign any resolution in accordance with the provisions of Article 106.

(e) An Alternate Director shall not be taken into account in reckoning the minimum or maximum number of Directors allowed for the time being under these Articles but he shall be counted for the purpose of reckoning whether a quorum is present at any meeting of the Directors attended by him at which he is entitled to vote Provided that he shall not constitute a quorum under Article 103 if he is the only person present at the meeting notwithstanding that he may be an Alternate to more than one Director.

(f) An Alternate Director may be repaid by the Company such expenses as might properly be repaid to him if he were a Director and he shall be entitled to receive from the Company such proportion (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct, but save as aforesaid he shall not in respect of such appointment be entitled to receive any remuneration from the Company.

(g) An Alternate Director shall not be required to hold any share qualification.

PROCEEDINGS OF DIRECTORS

101. (a) The Directors may meet together for the despatch of business, adjourn or otherwise regulate their meetings as they think fit. Subject to the provisions of these Articles questions arising at any meeting shall be determined by a majority of votes and in case of an equality of votes the Chairman of the meeting shall have a second or casting vote.

Meetings
of Directors.

(b) Any Director or his Alternate may participate at a meeting of the Directors by conference telephone or by means of a similar communication equipment whereby all persons participating in the meeting are able to hear each other in which event such Director or his Alternate shall be deemed to be present at the meeting. A Director or his Alternate participating in a meeting in the manner aforesaid may also be taken into account in ascertaining the presence of a quorum at the meeting. Such a meeting shall be deemed to take place where the largest group of Directors present for purposes of the meeting is assembled or, if there is no such group, where the Chairman is present.

Participation in
a Meeting
by conference
telephone.

102. A Director may and the Secretary on the requisition of a Director shall at any time summon a meeting of the Directors but it shall not be necessary to give notice of a meeting of Directors to any Director for the time being absent from Singapore.

Convening
meetings
of Directors.

103. The quorum necessary for the transaction of the business of the Directors may be fixed by the Directors and unless so fixed at any other number shall be two, save where the Company has only one Director, such sole Director shall be a quorum and shall be deemed to constitute a meeting. A meeting of the Directors at which a quorum is present shall be competent to exercise all the powers and discretions for the time being exercisable by the Directors.

Quorum.

104. The continuing Directors may act notwithstanding any vacancies in their body but if and so long as the number of Directors is reduced below the minimum number fixed by or in accordance with these Articles the continuing Directors or Director may act for the purpose of filling up such vacancies or of summoning General Meetings of the Company but not for any other purpose. If there be no Directors or Director able or willing to act, then any two Members may summon a General Meeting for the purpose of appointing Directors.

Proceedings in
case of
vacancies.

105. The Directors may from time to time elect a Chairman and if desired a Deputy Chairman and determine the period for which he is or they are to hold office. The Deputy Chairman will perform the duties of the Chairman during the Chairman's absence for any reason. The Chairman and in his absence the Deputy Chairman shall preside as Chairman at meetings of the Directors but if no such Chairman or Deputy Chairman be elected or if at any meeting the Chairman and the Deputy Chairman be not present within five minutes after the time appointed for holding the same, the Directors present shall choose one of their number to be Chairman of such meeting.

Chairman
of Directors.

106. A resolution in writing signed by a majority of the Directors for the time being and being not less than are sufficient to form a quorum shall be as effective as a resolution passed at a meeting of the Directors duly convened and held, and may consist of several documents in the like form each signed by one or more of the Directors. Provided that where a Director has appointed an Alternate Director, the Director or (in lieu of the Director) his Alternate Director may sign. The expressions "in writing" and "signed" include approval by telex, telefax, cable, telegram or via electronic mail by any such Director.

Resolutions
in writing.

107. The Directors may delegate any of their powers to committees consisting of such member or members of their body as they think fit. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on them by the Directors.

Power to
appoint
committees.

108. The meetings and proceedings of any such committee consisting of two or more members shall be governed by the provisions of these Articles regulating the meetings and proceedings of the Directors, so far as the same are applicable and are not superseded by any regulations made by the Directors under the last preceding Article.

Proceedings at
committee
meetings.

109. All acts done by any meeting of Directors or of a committee of Directors or by any person acting as Director shall as regards all persons dealing in good faith with the Company, notwithstanding that there was some defect in the appointment of any such Director or person acting as aforesaid or that they or any of them were disqualified or had vacated office or were not entitled to vote be as valid as if every such person had been duly appointed and was qualified and had continued to be a Director and had been entitled to vote.

Validity of acts of
Directors in spite
of some formal
defect.

GENERAL POWERS OF THE DIRECTORS

110. The management of the business of the Company shall be vested in the Directors who (in addition to the powers and authorities by these Articles or otherwise expressly conferred upon them) may exercise all such powers and do all such acts and things as may be exercised or done by the Company and are not hereby or by the Act expressly directed or required to be exercised or done by the Company in General Meeting but subject nevertheless to the provisions of the Act and of these Articles and to any regulations from time to time made by the Company in General Meeting provided that no regulations so made shall invalidate any prior act of the Directors which would have been valid if such regulations had not been made and in particular and without prejudice to the generality of the foregoing the Directors may at their discretion exercise every borrowing power vested in the Company by its Memorandum of Association or permitted by law together with collateral power of hypothecating the assets of the Company including any uncalled or called but unpaid capital; provided that the Directors shall not carry into effect any proposals for disposing of the whole or substantially the whole of the Company's undertaking or property unless those proposals have been approved by the Company in General Meeting.

General powers
of Directors
to manage
Company's
business.

111. The Directors may from time to time by power of attorney appoint any company, firm or person or any fluctuating body of persons whether nominated directly or indirectly by the Directors to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these Articles) and for such period and subject to such conditions as they may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with such attorney as the Directors may think fit and may also authorise any such attorney to subdelegate all or any of the powers, authorities and discretions vested in him.

Power to
appoint attorneys.

112. All cheques, promissory notes, drafts, bills of exchange, and other negotiable or transferable instruments and all receipts for moneys paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed, as the case may be, in such manner as the Directors shall from time to time by Resolution determine.

Signature of
cheques and bills.

BORROWING POWERS

113. The Directors may borrow or raise money from time to time for the purpose of the Company or secure the payment of such sums as they think fit and may secure the repayment or payment of such sums by mortgage or charge upon all or any of the property or assets of the Company or by the issue of debentures or otherwise as they may think fit.

Directors'
borrowing
powers.

SECRETARY

114. The Secretary or Secretaries shall and a Deputy or Assistant Secretary or Secretaries may be appointed by the Directors for such term, at such remuneration and upon such conditions as they may think fit, and any Secretary, Deputy or Assistant Secretary so appointed may be removed by them, but without prejudice to any claim he may have for damages for breach of any contract of service between him and the Company. The appointment and duties of the Secretary or Secretaries shall not conflict with the provisions of the Act and in particular Section 171 thereof.

Secretary

115. Where the Company has only one Director, such Director may not hold the office of the Secretary.

Sole Director
not to act as
Secretary

SEAL

116. (a) The Directors shall provide for the safe custody of the Seal, which shall only be used by the authority of the Directors or a committee of Directors authorised by the Directors in that behalf, and every instrument to which the Seal shall be affixed shall (subject to the provisions of these Articles as to certificates for shares) be signed by a Director and shall be countersigned by the Secretary or by a second Director or by some other person appointed by the Directors in place of the Secretary for the purpose.

Seal.

(b) The Company may exercise the powers conferred by the Act with regard to having an Official Seal for use abroad, and such powers shall be vested in the Directors.

Official Seal.

(c) The Company may have a duplicate Common Seal as referred to in Section 124 of the Act which shall be a facsimile of the Common Seal with the addition on its face of the words "Share Seal".

Share Seal.

AUTHENTICATION OF DOCUMENTS

117. Any Director or the Secretary or any person appointed by the Directors for the purpose shall have power to authenticate any documents affecting the constitution of the Company and any resolutions passed by the Company or the Directors, and any books, records, documents and accounts relating to the business of the Company, and to certify copies thereof or extracts therefrom as true copies or extracts; and where any books, records, documents or accounts are elsewhere than at the Office, the local manager and other officer of the Company having the custody thereof shall be deemed to be a person appointed by the Directors as aforesaid.

Power to authenticate documents.

118. A document purporting to be a copy of a resolution of the Directors or an extract from the minutes of a meeting of Directors which is certified as such in accordance with the provisions of the last preceding Article shall be conclusive evidence in favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed or, as the case may be, that such extract is a true and accurate record of a duly constituted meeting of the Directors.

Certified copies of resolution of the Directors.

DIVIDENDS AND RESERVES

119. The Company may by Ordinary Resolution declare dividends but (without prejudice to the powers of the Company to pay interest on share capital as hereinbefore provided) no dividend shall be payable except out of the profits of the Company, or in excess of the amount recommended by the Directors.

Payment of dividends.

120. Subject to the rights of holders of shares with special rights as to dividend (if any), and the Act, (a) all dividends shall be declared and paid in proportion to the number of shares held by a Member but where shares are partly paid all dividends must be apportioned and paid proportionately to the amounts paid or credited as paid on the partly paid shares; and (b) all dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid, but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly. For the purposes of this Article, no amount paid or credited as paid on a share in advance of a call shall be treated as paid on the share.

Apportionment of dividends.

121. If and so far as in the opinion of the Directors the profits of the Company justify such payments, the Directors may pay the fixed preferential dividends on any class of shares carrying a fixed preferential dividend expressed to be payable on a fixed date on the half-yearly or other dates (if any) prescribed for the payment thereof by the terms of issue of the shares, and subject thereto may also from time to time pay to the holders of any other class of shares interim dividends thereon of such amounts and on such dates as they may think fit.

Payment of preference and interim dividends.

122. No dividend or other moneys payable on or in respect of a share shall bear interest against the Company.

Dividends not to bear interest.

123. The Directors may deduct from any dividend or other moneys payable to any Member on or in respect of a share all sums of money (if any) presently payable by him to the Company on account of calls or in connection therewith.

Deduction of debts due to Company.

124. The Directors may retain any dividend or other moneys payable on or in respect of a share on which the Company has a lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

Retention of dividends on shares subject to lien.

125. The Directors may retain the dividends payable on shares in respect of which any person is under the provisions as to the transmission of shares hereinbefore

Retention of dividends on

contained entitled to become a Member or which any person under those provisions is entitled to transfer until such person shall become a Member in respect of such shares or shall duly transfer the same.

shares pending transmission.

126. The payment by the Directors of any unclaimed dividends or other moneys payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof. All dividends unclaimed after being declared may be invested or otherwise made use of by the Directors for the benefit of the Company and any dividend unclaimed after a period of six years from the date of declaration of such dividend may be forfeited and if so shall revert to the Company but the Directors may at any time thereafter at their absolute discretion annul any such forfeiture and pay the dividend so forfeited to the person entitled thereto prior to the forfeiture.

Unclaimed dividends.

127. The Company may, upon the recommendation of the Directors, by Ordinary Resolution direct payment of a dividend in whole or in part by the distribution of specific assets and in particular of paid up shares or debentures of any other company or in any one or more of such ways; and the Directors shall give effect to such Resolution and where any difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient and in particular may fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any Members upon the footing of the value so fixed in order to adjust the rights of all parties and may vest any such specific assets in trustees as may seem expedient to the Directors.

Payment of dividend in specie.

128. Any dividend or other moneys payable in cash on or in respect of a share may be paid by cheque or warrant sent through the post to the registered address of the Member or person entitled thereto, or, if several persons are registered as joint holders of the share or are entitled thereto in consequence of the death or bankruptcy of the holder to any one of such persons or to such persons and such address as such persons may by writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent or to such person as the holder or joint holders or person or persons entitled to the share in consequence of the death or bankruptcy of the holder may direct and payment of the cheque if purporting to be endorsed or the receipt of any such person shall be a good discharge to the Company. Every such cheque or warrant shall be sent at the risk of the person entitled to the money represented thereby.

Dividends payable by cheque.

129. A transfer of shares shall not pass the right to any dividend declared on such shares before the registration of the transfer.

Effect of transfer.

RESERVES

130. The Directors may from time to time set aside out of the profits of the Company and carry to reserve such sums as they think proper which, at the discretion of the Directors, shall be applicable for meeting contingencies or for the gradual liquidation of any debt or liability of the Company or for repairing or maintaining the works, plant and machinery of the Company or for special dividends or bonuses or for equalising dividends or for any other purpose to which the profits of the Company may properly be applied and pending such application may either be employed in the business of the Company or be invested. The Directors may divide the reserve into such special funds as they think fit and may consolidate into one fund any special funds or any parts of any special funds into which the reserve may have been divided. The Directors may also without placing the same to reserve carry forward any profits which they may think it not prudent to divide.

Power to carry profit to reserve.

CAPITALISATION OF PROFITS AND RESERVES

131. The Company may, upon the recommendation of the Directors, by Ordinary Resolution resolve that it is desirable to capitalise any sum for the time being standing to the credit of any of the Company's reserve accounts or any sum standing to the credit of the profit and loss account or otherwise available for distribution, provided that such sum be not required for paying the dividends on any shares carrying a fixed cumulative preferential dividend and accordingly that the Directors be authorised and directed to appropriate the sum resolved to be capitalised to the Members holding shares in the Company in the proportions in which such sum would have been divisible amongst them had the same been applied or been applicable in paying dividends and to apply such sum on their behalf either in or towards paying up the amounts (if any) for the time being unpaid on any shares held by such Members respectively, or in paying up in full unissued shares or debentures of the Company, such shares or debentures to be allotted and distributed and credited as fully paid up to and amongst such Members in the proportion aforesaid or partly in one way and partly in the other.

Power to
capitalise profits.

132. Whenever such a resolution as aforesaid shall have been passed, the Directors shall make all appropriations and applications of the sum resolved to be capitalised thereby and all allotments and issues of fully paid shares or debentures (if any) and generally shall do all acts and things required to give effect thereto with full power to the Directors to make such provision by payment in cash or otherwise as they think fit for the case of shares or debentures becoming distributable in fractions and also to authorise any person to enter on behalf of all the Members interested into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalisation or (as the case may require) for the payment up by the Company on their behalf, by the application thereto of their respective proportions of the sum resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing shares and any agreement made under such authority shall be effective and binding on all such Members.

Implementation
of resolution to
capitalise profits.

MINUTES AND BOOKS

133. The Directors shall cause minutes to be made in books to be provided for the purpose:-

Minutes.

- (a) of all appointments of officers made by the Directors;
- (b) of the names of the Directors present at each meeting of Directors and of any committee of Directors; and
- (c) of all Resolutions and proceedings at all Meetings of the Company and of any class of Members, of the Directors and of committees of Directors.

134. The Directors shall duly comply with the provisions of the Act and in particular the provisions in regard to registration of charges created by or affecting property of the Company, in regard to keeping a Register of Directors, Managers, Secretaries and Auditors, the Register, a Register of Mortgages and Charges and a Register of Directors' Share and Debenture Holdings and in regard to the production and furnishing of copies of such Registers and of any Register of Holders of Debentures of the Company.

Keeping of
Registers, etc.

135. Any register, index, minute book, book of accounts or other book required by these Articles or by the Act to be kept by or on behalf of the Company may be kept either by making entries in bound books or by recording them in any other manner. In any case in which bound books are not used, the Directors shall take adequate precautions for guarding against falsification and for facilitating discovery.

Form of registers, etc.

ACCOUNTS

136. The Directors shall cause to be kept such accounting and other records as are necessary to comply with the provisions of the Act.

Directors to keep proper accounts.

137. Subject to the provisions of Section 199 of the Act, the books of accounts shall be kept at the Office or at such other place or places as the Directors think fit within Singapore. No Member (other than a Director) shall have any right of inspecting any account or book or document or other recording of the Company except as is conferred by law or authorised by the Directors or by an Ordinary Resolution of the Company.

Location and inspection.

138. The Directors shall, in accordance with the provisions of the Act, cause to be prepared and to be laid before the Company in General Meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as may be necessary (unless such meeting has been dispensed with in accordance with the provisions of the Act).

Presentation of accounts.

139. A copy of every balance sheet and profit and loss account which is to be laid before a General Meeting of the Company (including every document required by the Act to be annexed thereto) shall not less than fourteen days (or, where such meeting has been dispensed with in accordance with the provisions of the Act, twenty-eight days before the date such meeting was to be held) before the date of the Meeting be sent to every Member of, and every holder of debentures (if any) of, the Company and to every other person who is entitled to receive notices from the Company under the provisions of the Act or of these Articles. Provided that this Article shall not require a copy of these documents to be sent to any person of whose address the Company is not aware or to more than one of the joint holders of a share in the Company or the several persons entitled thereto in consequence of the death or bankruptcy of the holder or otherwise but any Member to whom a copy of these documents has not been sent shall be entitled to receive a copy free of charge on application at the Office.

Copies of accounts.

AUDITORS

140. Auditors shall be appointed (unless the Company is exempted from such requirement under the Act) and their duties regulated in accordance with the provisions of the Act. Every Auditor of the Company shall have a right of access at all times to the accounting and other records of the Company and shall make his report as required by the Act.

Appointment of Auditors.

141. Subject to the provisions of the Act, all acts done by any person acting as an Auditor shall, as regards all persons dealing in good faith with the Company, be valid, notwithstanding that there was some defect in his appointment or that he was at the time of his appointment not qualified for appointment.

Validity of acts of Auditors in spite of some formal defect.

142. The Auditors shall be entitled to attend any General Meeting and to receive all notices of and other communications relating to any General Meeting to which any Member is entitled and to be heard at any General Meeting on any part of the business of the Meeting which concerns them as Auditors.

Auditors' right to receive notices of and attend at General Meetings.

NOTICES

143. (a) Any notice may be given by the Company to any Member in any of the following ways:-

Service of notice.

- (i) by delivering the notice personally to him; or
- (ii) by sending it by prepaid mail to him at his registered address in Singapore or where such address is outside Singapore by prepaid air-mail; or
- (iii) by sending a cable or telex or telefax or by electronic mail containing the text of the notice to him at his registered address in Singapore or where such address is outside Singapore to such address or to any other address as might have been previously notified by the Member concerned to the Company; or
- (iv) by such other manner as may be prescribed by the Act (including without limitation, by electronic communication).

(b) Any notice or other communication served under any of the provisions of these Articles on or by the Company or any officer of the Company may be tested or verified by telex or telefax or electronic mail or telephone or such other manner as may be convenient in the circumstances but the Company and its officers are under no obligation so to test or verify any such notice or communication.

144. All notices and documents (including a share certificate) with respect to any shares to which persons are jointly entitled shall be given to whichever of such persons is named first on the Register and notice so given shall be sufficient notice to all the holders of such shares.

Service of notices in respect of joint holders.

145. Any Member with a registered address shall be entitled to have served upon him at such address any notice to which he is entitled under these Articles.

Members shall be served at registered address.

146. A person entitled to a share in consequence of the death or bankruptcy of a Member or otherwise upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share, and upon supplying also an address for the service of notice, shall be entitled to have served upon him at such address any notice or document to which the Member but for his death or bankruptcy or otherwise would be entitled and such service shall for all purposes be deemed a sufficient service of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share. Save as aforesaid any notice or document delivered or sent by post to or left at the registered address of any Member in pursuance of these Articles shall (notwithstanding that such Member be then dead or bankrupt or otherwise not entitled to such share and whether or not the Company shall have notice of the same) be deemed to have been duly served in respect of any share registered in the name of such Member as sole or joint holder.

Service of notices after death etc. of a Member.

147. (a) Any notice given in conformity with Article 143 shall be deemed to have been given at any of the following times as may be appropriate:-

When service effected.

- (i) when it is delivered personally to the Member, at the time when it is so delivered;
- (ii) when it is sent by prepaid mail to an address in Singapore or by prepaid airmail to an address outside Singapore, on the day

following that on which the notice was put into the post;

- (iii) when the notice is sent by cable or telex or telefax or electronic mail, the day it is so sent; and
- (iv) in the case of any notice given in any other manner, at such times as may be prescribed by the Act.

(b) In proving such service or sending, it shall be sufficient to prove that the letter containing the notice or document was properly addressed and put into the post office as a prepaid letter or airmail letter as the case may be or that a telex or telefax or electronic mail was properly addressed and transmitted or that a cable was properly addressed and handed to the relevant authority for despatch.

148. Any notice on behalf of the Company or of the Directors shall be deemed effectual if it purports to bear the signature of the Secretary or other duly authorised officer of the Company, whether such signature is printed or written.

Signature
on notice.

149. When a given number of days' notice or notice extending over any other period is required to be given the day of service shall not, unless it is otherwise provided or required by these Articles or by the Act, be counted in such number of days or period.

Day of service
not counted.

150. (a) Notice of every General Meeting shall be given in manner hereinbefore authorised to:-

Notice of
General Meeting

- (i) every Member;
- (ii) every person entitled to a share in consequence of the death or bankruptcy or otherwise of a Member who but for the same would be entitled to receive notice of the Meeting; and
- (iii) the Auditor for the time being of the Company.

(b) No other person shall be entitled to receive notices of General Meetings.

151. The provisions of Articles 143, 147, 148 and 149 shall apply mutatis mutandis to notices of meetings of Directors or any committee of Directors.

Notice of
meetings of
Directors or any
committee
of Directors.

WINDING UP

152. If the Company is wound up (whether the liquidation is voluntary, under supervision, or by the Court) the Liquidator may, with the authority of a Special Resolution, divide among the Members in specie or kind the whole or any part of the assets of the Company and whether or not the assets shall consist of property of one kind or shall consist of properties of different kinds and may for such purpose set such value as he deems fair upon any one or more class or classes of property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members. The Liquidator may, with the like authority, vest the whole or any part of the assets in trustees upon such trusts for the benefit of Members as the Liquidator with the like authority thinks fit and the liquidation of the Company may be closed and the Company dissolved but so that no Member shall be compelled to accept any shares or other securities in respect of which there is a liability.

Distribution of
assets in specie.

INDEMNITY

153. Subject to the provisions of the Act, every Director, Auditor, Secretary or other officer of the Company shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution and discharge of his duties or in relation thereto and in particular and without prejudice to the generality of the foregoing no Director, Manager, Secretary or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or officer or for joining in any receipt or other act for conformity or for any loss or expense happening to the Company through the insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person with whom any moneys, securities or effects shall be deposited or left or for any other loss, damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto unless the same shall happen through his own negligence, wilful default, breach of duty or breach of trust.

Indemnity
of Directors
and officers.

SECRECY

154. No Member shall be entitled to require discovery of or any information respecting any detail of the Company's trade or any matter which may be in the nature of a trade secret, mystery of trade or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Directors it will be inexpedient in the interest of the Members of the Company to communicate to the public save as may be authorised by law.

Secrecy.



NAME(S), ADDRESS(ES) AND DESCRIPTION OF SUBSCRIBER(S)



JANAK NATVARIAL DESAI
NATVARIAL
335 Bukit Timah Road
Wing On Life Garden
#12-02
Singapore 259718
Director



Dated this **29 OCT 2007** day of 2007.

Witness to the above signature(s):



JULIET ANG
Advocate & Solicitor
Singapore
Name:
Title: Advocate & Solicitor / A member of the
Singapore Association of the Institute of
Chartered Secretaries and Administrators

REGISTRATION NO.
200720201Z

THE COMPANIES ACT (CAP. 50)

PRIVATE COMPANY LIMITED BY SHARES

MEMORANDUM

AND

ARTICLES OF ASSOCIATION

OF

BAKER HUGHES DRILLING ASIA PTE. LTD.

(w.e.f. 18 August 2020)

(fna GE DRILLING ASIA PTE. LTD.)

- vide MRIW dated 17 August 2020

RAJAH & TANN
ADVOCATES & SOLICITORS
4 BATTERY ROAD
#15-01
BANK OF CHINA BUILDING
SINGAPORE 049908

**AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT
OF
MHWIRTH LLC**

This Amended and Restated Limited Liability Company Agreement (this “Agreement”) of MHWirth LLC, a Delaware limited liability company (the “Company”) is entered into as of October 1, 2021, by MHH Holding B.V., a Dutch limited liability company (the “Member”), as the sole member of the Company.

WHEREAS, the Company was converted into a limited liability company pursuant to and in accordance with the Delaware Limited Liability Company Act (6 Del.C. §18-101, et seq.), as amended from time to time (the “Act”) on September 21, 2021;

WHEREAS, Mercury HoldCo Inc. (the “Former Member”) executed a Limited Liability Company Agreement for the Company on September 21, 2021 (the “Original Agreement”);

WHEREAS, pursuant to a Contribution and Subscription Agreement dated as of October 1, 2021, by and between the Member and the Former Member, the Former Member assigned one hundred percent (100%) of the membership interest in the Company to the Member, admitted the Member as a member of the Company and withdrew as a member of the Company; and

WHEREAS, the Member desires to continue the Company as a limited liability company under the Act and to amend and restate the Original Agreement in its entirety.

NOW, THEREFORE, in consideration of the agreements and obligations set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Member hereby agrees as follows:

1. Name. The name of the limited liability company is MHWirth LLC. The business of the Company shall be conducted under such name or such other names that comply with applicable law as the Member may from time to time deem necessary or desirable.

2. Certificates. A Certificate of Conversion and a Certificate of Formation was filed with the Secretary of State of the State of Delaware and the Company was converted to a limited liability company on September 21, 2021. The Member or an Officer (as defined below) shall execute, deliver and file any other amendments to the Certificate of Formation deemed necessary or desirable by the Member and any other certificates (and any amendments and/or restatements thereof), along with any documentation necessary for the Company to qualify to do business in a jurisdiction in which the Company may wish to conduct business.

3. Purpose. The Company is formed for the object and purpose of, and the nature of the business to be conducted and promoted by the Company is, engaging in any lawful act or activity for which limited liability companies may be formed under the Act and engaging in any and all activities necessary or incidental to the foregoing.

4. Powers. In furtherance of its purposes, but subject to all of the provisions of this Agreement, the Company shall have the power and is hereby authorized to:

a. acquire by purchase, lease, contribution of property or otherwise, own, hold, sell, convey, transfer or dispose of any real or personal property which may be necessary, convenient or incidental to the accomplishment of the purpose of the Company;

b. act as a trustee, executor, nominee, bailee, director, officer, agent or in some other fiduciary capacity for any person or entity and to exercise all of the powers, duties, rights and responsibilities associated therewith;

c. take any and all actions necessary, convenient or appropriate as trustee, executor, nominee, bailee, director, officer, agent or other fiduciary, including the granting or approval of waivers, consents or amendments of rights or powers relating thereto and the execution of appropriate documents to evidence such waivers, consents or amendments;

d. operate, purchase, maintain, finance, improve, own, sell, convey, assign, mortgage, lease or demolish or otherwise dispose of any real or personal property which may be necessary, convenient or incidental to the accomplishment of the purposes of the Company;

e. borrow money and issue evidences of indebtedness in furtherance of any or all of the purposes of the Company, and secure the same by mortgage, pledge or other lien on the assets of the Company;

f. invest any funds of the Company pending distribution or payment of the same pursuant to the provisions of this Agreement;

g. prepay in whole or in part, refinance, recast, increase, modify or extend any indebtedness of the Company and, in connection therewith, execute any extensions, renewals or modifications of any mortgage or security agreement securing such indebtedness;

h. enter into, perform and carry out contracts of any kind, including, without limitation, contracts with any person or entity affiliated with the Member, necessary to, in connection with, convenient to, or incidental to the accomplishment of the purposes of the Company;

i. employ or otherwise engage employees, managers, contractors, advisors, attorneys and consultants and pay reasonable compensation for such services;

j. enter into partnerships, limited liability companies, trusts, associations, corporations or other ventures with other persons or entities in furtherance of the purposes of the Company; and

k. do such other things and engage in such other activities related to the foregoing as may be necessary, convenient or incidental to the conduct of the business of the Company, and have and exercise all of the powers and rights conferred upon limited liability companies formed pursuant to the Act.

5. Principal Business Office. The principal business office of the Company shall be located at such location as may hereafter be determined by the Member.

6. Registered Agent and Office. The name and address of the registered agent and office of the Company in the State of Delaware is The Corporation Trust Company, 1209 Orange Street, Wilmington, New Castle County, Delaware 19801.

7. Members. The name and the mailing address of the Member is set forth on Schedule A attached hereto.

8. Limited Liability. Except as otherwise provided by the Act, the debts, obligations and liabilities of the Company, whether arising in contract, tort or otherwise, shall be solely the debts, obligations and liabilities of the Company, and the Member shall not be obligated personally for any such debt, obligation or liability of the Company solely by reason of being a member of the Company.

9. Additional Contributions. The Member is not required to make any additional capital contribution to the Company. However, a Member may make additional capital contributions to the Company with the written consent of the Member.

10. Allocation of Profits and Losses. The Company's profits and losses shall be allocated to the Member.

11. Distributions. Distributions shall be made to the Member at the times and in the aggregate amounts determined by the Member. Notwithstanding any provision to the contrary contained in this Agreement, the Company shall not make a distribution to any Member on account of its interest in the Company if such distribution would violate Section 18-607 of the Act or other applicable law.

12. Management. In accordance with Section 18-402 of the Act, management of the Company shall be vested in the Member. The Member shall have the power to do any and all acts necessary, convenient or incidental to or for the furtherance of the purposes described herein, including all powers, statutory or otherwise, possessed by members of a limited liability company under the laws of the State of Delaware. The Member has the authority to bind the Company.

13. Officers. The Member may, from time to time as it deems advisable, appoint officers of the Company (each and “Officer”, and collectively, the “Officers”) and assign in writing titles (including, without limitation, President, Vice President, Secretary, and Treasurer) to any such person. Unless the Member decides otherwise, if the title is one commonly used for officers of a business corporation formed under the Delaware General Corporation Law, the assignment of such title shall constitute the delegation to such person of the authorities and duties that are normally associated with that office. The Member hereby delegates to each of the Officers the non-exclusive power and authority to act as an agent of the Company and, in such capacity, to bind the Company in the ordinary course of the Company’s business and to execute any and all documents to be signed by the Company. Any delegation pursuant to this Section 13 may be revoked at any time by the Member. The Officers are listed on Schedule B attached hereto. The Member may revise Schedule B in its sole discretion at any time.

14. Other Business. The Member may engage in or possess an interest in other business ventures (unconnected with the Company) of every kind and description, independently or with others. The Company shall not have any rights in or to such independent ventures or the income or profits therefrom by virtue of this Agreement.

15. Exculpation and Indemnification. No Member or Officer shall be liable to the Company, or any other person or entity who has an interest in the Company, for any loss, damage or claim incurred by reason of any act or omission performed or omitted by such Member or Officer in good faith on behalf of the Company and in a manner reasonably believed to be within the scope of the authority conferred on such Member or Officer by this Agreement, except that a Member or Officer shall be liable for any such loss, damage or claim incurred by reason of such Member’s or Officer’s willful misconduct. To the fullest extent permitted by applicable law, a Member or Officer shall be entitled to indemnification from the Company for any loss, damage or claim incurred by such Member or Officer by reason of any act or omission performed or omitted by such Member or Officer in good faith on behalf of the Company and in a manner reasonably believed to be within the scope of the authority conferred on such Member or Officer by this Agreement, except that no Member or Officer shall be entitled to be indemnified in respect of any loss, damage or claim incurred by such Member or Officer by reason of willful misconduct with respect to such acts or omissions; *provided, however*, that any indemnity under this Section 15 shall be provided out of and to the extent of Company assets only, and no Member shall have personal liability on account thereof.

16. Assignments. A Member may assign in whole or in part its limited liability company interest with the written consent of the Member. If a Member transfers all of its interest in the Company pursuant to this Section 16, the transferee shall be admitted to the Company upon its execution of an instrument signifying its agreement to be bound by the terms and conditions of this Agreement. Such admission shall be deemed effective immediately prior to the transfer, and, immediately following such admission, the transferor Member shall cease to be a member of the Company.

17. Admission of Additional Members. One (1) or more additional members of the Company may be admitted to the Company with the written consent of the Member.

18. Resignation. A Member may resign from the Company with the written consent of the Member. If a Member is permitted to resign pursuant to this Section 18, an additional member shall be admitted to the Company, subject to Section 17, upon its execution of an instrument signifying its agreement to be bound by the terms and conditions of this Agreement. Such admission shall be deemed effective immediately prior to the resignation, and, immediately following such admission, the resigning Member shall cease to be a member of the Company.

19. Dissolution.

a. The Company shall dissolve, and its affairs shall be wound up upon the first to occur of the following: (i) the written consent of the Member, (ii) the retirement, resignation or dissolution of the Member or the occurrence of any other event which terminates the continued membership of the Member in the Company unless the business of the Company is continued in a manner permitted by the Act, or (iii) the entry of a decree of judicial dissolution under Section 18-802 of the Act.

b. The bankruptcy of the Member will not cause the Member to cease to be a member of the Company and upon the occurrence of such an event, the business of the Company shall continue without dissolution.

c. In the event of dissolution, the Company shall conduct only such activities as are necessary to wind up its affairs (including the sale of the assets of the Company in an orderly manner), and the assets of the Company shall be applied in the manner, and in the order of priority, set forth in Section 18-804 of the Act.

20. Separability of Provisions. Each provision of this Agreement shall be considered separable and if for any reason any provision or provisions herein are determined to be invalid, unenforceable or illegal under any existing or future law, such invalidity, unenforceability or illegality shall not impair the operation of or affect those portions of this Agreement which are valid, enforceable and legal.

21. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original of this Agreement.

22. Entire Agreement. This Agreement constitutes the entire agreement of the Member with respect to the subject matter hereof.

23. Governing Law. This Agreement shall be governed by, and construed under, the laws of the State of Delaware (without regard to conflict of laws principles), all rights and remedies being governed by said laws.

24. Amendments. This Agreement may not be modified, altered, supplemented or amended except pursuant to a written agreement executed and delivered by the Member.

25. Sole Benefit of Member. Except as expressly provided in Section 15, the provisions of this Agreement (including Section 9) are intended solely to benefit the Member and, to the fullest extent permitted by applicable law, shall not be construed as conferring any benefit upon any creditor of the Company (and no such creditor shall be a third-party beneficiary of this Agreement), and no Member shall have any duty or obligation to any creditor of the Company to make any contributions or payments to the Company.

IN WITNESS WHEREOF, the Member has adopted this Agreement as of the date first above written.

MHH HOLDING B.V.



By: Eirik Thomassen

Position: Director

SCHEDULE A
TO
MHWIRTH LLC
LIMITED LIABILITY COMPANY AGREEMENT

MEMBER

<u>Name</u>	<u>Mailing Address</u>	<u>Agreed Value of Capital Contribution</u>	<u>Percentage Interest</u>
MHH Holding B.V.	Amstelveenseweg 500 1081 KL Amsterdam The Netherlands	N/A	100.00%

SCHEDULE B
TO
MHWIRTH LLC
LIMITED LIABILITY COMPANY AGREEMENT

Name

Title

Dwight W. Rettig

President

Dag Stenevik

Vice President

Askel Matre

Vice President and Treasurer

Marina Medina

Vice President and Secretary

Satzung der MHWirth GmbH

A. Allgemeine Bestimmungen

§ 1

Firma der Gesellschaft

Die Firma der Gesellschaft lautet:

MHWirth GmbH

§ 2

Sitz der Gesellschaft

Die Gesellschaft hat ihren Sitz in Erkelenz.

§ 3

Dauer der Gesellschaft, Geschäftsjahr

- (1) Die Gesellschaft ist auf unbestimmte Zeit geschlossen.
- (2) Das Geschäftsjahr der Gesellschaft ist das Kalenderjahr.

§ 4

Gegenstand des Unternehmens

- (1) Gegenstand des Unternehmens ist die Herstellung, die Entwicklung, die Konstruktion und der Vertrieb sowie die Vermietung von Maschinen aller Art, insbesondere von Bohrgeräten, Pumpen, Teilschnittmaschinen, Tunnel- und Schachtbohrmaschinen und verwandten Erzeugnissen einschließlich Werkzeuge und Ersatzteile sowie die Durchführung aller damit zusammenhängenden Geschäfte.
Weiterer Gegenstand der Gesellschaft ist Lohnhärterei, Wärmebehandlung und gewerbliche Arbeitnehmerüberlassung.
- (2) Die Gesellschaft kann sämtliche sonstigen geschäftlichen Maßnahmen treffen, welche den Gesellschaftszweck zu fördern geeignet sind. Die Gesellschaft darf sich an anderen Unternehmen gleicher oder ähnlicher Art beteiligen sowie Zweigniederlassungen errichten.

§ 5

Stammkapital

- (1) Das Stammkapital der Gesellschaft beträgt:

9.328.700.- Euro

(in Worten: neun Millionen dreihundertachtundzwanzigtausendsiebenhundert Euro).

- (2) Das Stammkapital ist eingeteilt in 13 Geschäftsanteile mit den laufenden Nummern 1 bis 13. Davon haben übernommen:

a) Aker MH AS (ehemals firmierend unter Aker Kvaerner MH AS):

- einen Geschäftsanteil im Nennbetrag von Euro 1.718.648,00, laufende Nr. 1,
- einen Geschäftsanteil im Nennbetrag von Euro 622.856,00, laufende Nr. 7,
- einen Geschäftsanteil im Nennbetrag von Euro 4.664.350,00, laufende Nr. 13,

b) Herr Christophorus Kleuters:

- einen Geschäftsanteil im Nennbetrag von Euro 335.512,00, laufende Nr. 2,
- einen Geschäftsanteil im Nennbetrag von Euro 342.360,00, laufende Nr. 3,
- einen Geschäftsanteil im Nennbetrag von Euro 342.360,00, laufende Nr. 4,
- einen Geschäftsanteil im Nennbetrag von Euro 342.360,00, laufende Nr. 5,
- einen Geschäftsanteil im Nennbetrag von Euro 342.360,00, laufende Nr. 6,

c) Herr Wilfried Kroppen:

- einen Geschäftsanteil im Nennbetrag von Euro 121.594,00, laufende Nr. 8,
- einen Geschäftsanteil im Nennbetrag von Euro 124.075,00, laufende Nr. 9,
- einen Geschäftsanteil im Nennbetrag von Euro 124.075,00, laufende Nr. 10,
- einen Geschäftsanteil im Nennbetrag von Euro 124.075,00, laufende Nr. 11,
- einen Geschäftsanteil im Nennbetrag von Euro 124.075,00, laufende Nr. 12.

- (3) Geschäftsanteile eines Gesellschafters können von diesem nur mit Zustimmung der Gesellschafterversammlung geteilt und zusammengelegt werden. Die Teilung und Zusammenlegung sind der Geschäftsführung unverzüglich schriftlich mitzuteilen. Sie werden mit Aufnahme der geänderten Gesellschafterliste in das Handelsregister wirksam.
- (4) Jeder Gesellschafter ist verpflichtet, der Geschäftsführung Veränderungen in seiner Person oder seiner Beteiligung an der Gesellschaft unverzüglich schriftlich mitzuteilen und nachzuweisen. Der Nachweis soll im Regelfall durch Urschrift oder notariell beglaubigte Abschrift, im Falle der Erbfolge in entsprechender Anwendung von § 35 GBO erfolgen.

§ 6

Verfügung über Geschäftsanteile

- (1) Die Verfügung über Geschäftsanteile oder über Teile von Geschäftsanteilen bedarf zu ihrer Gültigkeit der vorherigen Zustimmung der Gesellschafterversammlung. Die Verfügung über Geschäftsanteile von Aker MH AS an mit Aker MH AS im Sinne von §§ 15 ff. AktG verbundene Unternehmen bedarf keiner Zustimmung.

- (2) Verfügung im Sinne von Absatz 1 ist jede Veräußerung, Abtretung oder Belastung einschließlich der Einräumung eines Nießbrauchs oder einer Unterbeteiligung.

B. Organisation der Gesellschaft

§ 7 Organe

Die Organe der Gesellschaft sind:

1. der oder die Geschäftsführer,
2. der Aufsichtsrat,
3. die Gesellschafterversammlung.

§ 8 Geschäftsführung

- (1) Die Gesellschaft hat einen oder mehrere Geschäftsführer. Sie werden durch die Gesellschafter bestellt und abberufen.
- (2) Die Geschäftsführer führen die Geschäfte der Gesellschaft nach Maßgabe der Gesetze, des Gesellschaftsvertrages, der Anstellungsverträge, einer von den Gesellschaftern beschlossenen Geschäftsordnung, in der auch die Geschäftsverteilung geregelt wird, und den sonstigen Beschlüssen der Gesellschafter. Die Gesellschafter können in der Geschäftsordnung bestimmte Arten von Geschäften festlegen, für welche die Geschäftsführer der vorherigen Zustimmung durch Gesellschafterbeschluss bedürfen. Sie können geschäftsleitende Weisungen erteilen und Richtlinien für die Geschäftspolitik aufstellen.

§ 9 Vertretung

- (1) Ist nur ein Geschäftsführer bestellt, so vertritt dieser die Gesellschaft allein. Sind mehrere Geschäftsführer bestellt, so vertritt jeder von ihnen die Gesellschaft in Gemeinschaft mit einem anderen Geschäftsführer oder mit einem Prokuristen.
- (2) Die Gesellschafterversammlung kann einem oder mehreren Geschäftsführern Alleinvertretungsbefugnis und/oder Befreiung von den Beschränkungen des § 181 BGB erteilen.

§ 10 Zustimmungspflichtige Geschäfte

- (1) Die Geschäftsführer bedürfen für folgende Maßnahmen der vorherigen Zustimmung des Aufsichtsrats:

- a) Erwerb und Veräußerung von Unternehmen und Unternehmensteilen, falls der Wert der Gegenleistung im Einzelfall € 6.000.000,00 übersteigt;
 - b) Erwerb und Veräußerung von Grundbesitz, falls der Wert der Gegenleistung im Einzelfall € 12.000.000,00 übersteigt;
 - c) Aufnahme von Krediten und Übernahme von Haftung außerhalb des gewöhnlichen Geschäftsganges, falls der aufgenommene Kredit oder die eingegangene Haftung im Einzelfall € 60.000.000,00 übersteigt;
- (2) Unabhängig davon gelten die Zustimmungsbedürfnisse der Gesellschafterbeschlüsse und der Geschäftsordnung für die Geschäftsführung.

§ 11 Aufsichtsrat / Zusammensetzung

- (1) Die Gesellschaft hat einen Aufsichtsrat. Seine Zusammensetzung sowie seine Rechte und Pflichten bestimmen sich nach den Vorschriften des Gesetzes über die Drittelbeteiligung der Arbeitnehmer im Aufsichtsrat (Drittelbeteiligungsgesetz), den danach anzuwendenden Vorschriften des Aktiengesetzes und den Bestimmungen dieses Gesellschaftsvertrages.
- (2) Der Aufsichtsrat besteht aus sechs Mitgliedern. Vier Mitglieder werden von der Gesellschafterversammlung, zwei Mitglieder von den Arbeitnehmern gewählt. Der Gesellschafter Aker MH AS ist berechtigt, drei Aufsichtsratsmitglieder zur Wahl durch die Gesellschafterversammlung vorzuschlagen; sämtliche Gesellschafter werden ihr Stimmrecht im Sinne des Beschlussvorschlages von Aker MH AS ausüben. Die Gesellschafter Christopherus Kleuters und Wilfried Kröppen sind gemeinsam berechtigt, ein Aufsichtsratsmitglied zur Wahl durch die Gesellschafterversammlung vorzuschlagen; sämtliche Gesellschafter werden ihr Stimmrecht im Sinne des Beschlussvorschlages von Christopherus Kleuters und Wilfried Kröppen ausüben.
- (3) Die Wahl der Mitglieder erfolgt jeweils für die Zeit bis zur Beendigung der Gesellschafterversammlung, die über die Entlastung für das vierte Geschäftsjahr nach der Wahl beschließt; das Geschäftsjahr, in welchem die Amtszeit beginnt, wird nicht mitgerechnet. Eine Wiederwahl ist zulässig.

Scheidet ein Mitglied vor Ablauf seiner Amtszeit aus dem Aufsichtsrat aus, so kann eine Nachbestellung/Nachwahl nur für die restliche Amtszeit des ausgeschiedenen Mitglieds erfolgen.

- (4) Jedes Mitglied des Aufsichtsrates kann sein Amt jederzeit durch schriftliche Erklärung gegenüber dem Aufsichtsratsvorsitzenden niederlegen.

- (5) Der Aufsichtsrat wählt für die Dauer seiner Amtszeit einen Vorsitzenden und einen Stellvertreter. Die Amtszeit des Vorsitzenden und des Stellvertreters entspricht, soweit bei der Wahl nicht eine kürzere Amtszeit bestimmt wird, ihrer Amtszeit als Mitglieder des Aufsichtsrats. Scheiden im Laufe einer Wahlperiode der Vorsitzende oder sein Stellvertreter aus ihrem Amt aus, so hat der Aufsichtsrat unverzüglich eine Neuwahl vorzunehmen. Der stellvertretende Vorsitzende hat nur dann die Rechte und Pflichten des Vorsitzenden, wenn dieser verhindert ist.
- (6) Der Aufsichtsrat kann sich im Rahmen der zwingenden gesetzlichen Vorschriften und der Bestimmungen dieser Satzung eine Geschäftsordnung geben.

§ 12

Aufsichtsratssitzungen / Beschlussfassung

- (1) Die Sitzungen des Aufsichtsrats werden durch den Vorsitzenden mit einer Frist von vierzehn Tagen einberufen. Bei der Berechnung der Frist werden der Tag der Absendung der Einladung und der Tag der Sitzung nicht mitgerechnet. Die Einberufung muss schriftlich oder per Fax erfolgen. In dringenden Fällen kann der Vorsitzende die Frist abkürzen.
- (2) Die Beschlussfassung des Aufsichtsrats ist auch in einer Telefonkonferenz oder außerhalb von Sitzungen durch schriftliche, elektronische (§ 126a BGB), fernmündliche oder in Textform (§ 126b BGB) sowie per e-mail oder Fax erfolgende Stimmabgabe zulässig, wenn der Vorsitzende des Aufsichtsrats eine solche Beschlussfassung anordnet und kein Mitglied des Aufsichtsrats diesem Verfahren widerspricht.
- (3) Der Aufsichtsrat ist beschlussfähig, wenn mindestens drei Mitglieder an der Beschlussfassung teilnehmen. Abwesende Mitglieder können dadurch an der Beschlussfassung teilnehmen, dass sie eine schriftliche Stimmabgabe durch ein anderes Aufsichtsratsmitglied überreichen lassen. Soweit sie von diesem Recht Gebrauch machen, werden sie als „anwesend“ für die Herstellung der Beschlussfähigkeit angesehen.
- (4) Der Aufsichtsrat fasst seine Beschlüsse mit der Mehrheit der abgegebenen Stimmen. Im Falle der Stimmengleichheit entscheidet die Stimme des Aufsichtsratsvorsitzenden.
- (5) Der Vorsitzende oder - bei Verhinderung des Vorsitzenden - sein Stellvertreter ist ermächtigt, im Rahmen des Aufsichtsrats die zur Durchführung der Beschlüsse des Aufsichtsrats und seiner Ausschüsse erforderlichen Erklärungen abzugeben. Nur der Vorsitzende oder - bei Verhinderung des Vorsitzenden - sein Stellvertreter ist befugt, Erklärungen für den Aufsichtsrat entgegenzunehmen.

§ 13 Vergütung

Die Mitglieder des Aufsichtsrats erhalten Ersatz für ihre Auslagen. Die Gesellschafterversammlung kann ihnen eine besondere Vergütung zubilligen.

§ 14 Gesellschafterversammlung und -beschlüsse

- (1) Gesellschafterversammlungen werden durch die Geschäftsführer einberufen.
- (2) Die Einberufung erfolgt schriftlich oder per Fax mit einer Frist von mindestens einer Woche. Bei der Berechnung der Frist werden der Tag der Absendung der Einladung und der Tag der Gesellschafterversammlung nicht mitgerechnet.
- (3) Den Vorsitz in der Gesellschafterversammlung führt der Gesellschafter mit dem größten Anteil am Stammkapital.
- (4) Die Beschlüsse der Gesellschafter werden in Gesellschafterversammlungen gefasst. Die Beschlussfassung kann auch in einer Telefonkonferenz oder außerhalb einer Gesellschafterversammlung durch schriftliche, elektronische (§ 126a BGB), fernmündliche oder in Textform (§ 126b BGB), per Fax oder e-mail erfolgende Stimmabgabe stattfinden, wenn sämtliche Gesellschafter an der Beschlussfassung teilnehmen oder sich vor oder bei Beschlussfassung mit dem Verfahren einverstanden erklären.
- (5) Eine Gesellschafterversammlung ist nur beschlussfähig, wenn mindestens 75,1 % des Stammkapitals vertreten sind. Sind weniger als 75,1 % des Stammkapitals vertreten, ist unter Beachtung von Absatz 2 unverzüglich eine neue Gesellschafterversammlung einzuberufen. Diese ist ohne Rücksicht auf die Zahl der vertretenen Stimmen beschlussfähig, falls hierauf in der Einberufung hingewiesen wurde.
- (6) Gesellschafterbeschlüsse werden mit der Mehrheit der abgegebenen Stimmen gefasst, soweit das Gesetz oder dieser Gesellschaftsvertrag keine andere Mehrheit vorsieht. Je € 1,- eines Geschäftsanteils gewähren eine Stimme.
- (7) Über Gesellschafterbeschlüsse ist von dem an der Beschlussfassung teilnehmenden Gesellschafter mit den meisten Stimmen für Dokumentationszwecke, nicht als Wirksamkeitsvoraussetzung, eine Niederschrift anzufertigen. Jedem Gesellschafter ist eine Kopie der Niederschrift zu übermitteln.
- (8) Beschlüsse der Gesellschafter können nur innerhalb eines Monats seit Zugang der Niederschrift, spätestens sechs Monate nach Beschlussfassung klageweise angefochten werden.

§ 15
Ausschluss eines Gesellschafters / Einziehung

- (1) Die Einziehung von Geschäftsanteilen mit Zustimmung des betroffenen Gesellschafters ist zulässig.
- (2) Die Einziehung ohne Zustimmung des betroffenen Gesellschafters ist unzulässig, soweit sich nicht aus zwingenden gesetzlichen Bestimmungen etwas anderes ergibt (insbesondere bei Kündigung oder Ausschluss aus wichtigem Grund). Ein wichtiger Grund liegt insbesondere auch vor, wenn über das Vermögen eines Gesellschafters das Insolvenzverfahren eröffnet worden ist oder die Eröffnung des Verfahrens mangels Masse abgelehnt worden ist oder der Geschäftsanteil von einem Gläubiger des Gesellschafters gepfändet oder sonst wie in diesen vollstreckt wird und die Vollstreckungsmaßnahme nicht innerhalb von drei Monaten, spätestens bis zur Verwertung des Geschäftsanteils, aufgehoben wird.
- (3) Der betroffene Gesellschafter hat Anspruch auf Abfindung nach Maßgabe von § 17 dieser Satzung.

§ 16
Abtretungsverlangen statt Einziehung

- (1) Statt einer zulässigen Einziehung des Geschäftsanteils kann durch Gesellschafterbeschluss mit Mehrheit der abgegebenen Stimmen auch der Inhaber des Geschäftsanteils ausgeschlossen und sein Geschäftsanteil abgetreten werden. Im Falle eines Ausschlusses von Christopherus Kleuters oder Wilfried Kroppen erfolgt die Abtretung an Aker MH AS. Im Falle eines Ausschlusses von Aker MH AS erfolgt die Abtretung an die übrigen Gesellschafter im Verhältnis ihrer Kapitalbeteiligung. Die Abtretung erfolgt mit schuldrechtlicher Wirkung zwischen den Beteiligten zum Ende des Tages, an dem der betreffende Gesellschafterbeschluss gefasst wird. Die Abtretung ist nur wirksam bei Annahme durch den vorgesehenen Erwerber.
- (2) § 15 Absatz 3 gilt entsprechend.

§ 17
Abfindung

- (1) Die Einziehung (oder Abtretung) erfolgt gegen eine Abfindung. Die Abfindung entspricht der prozentualen Beteiligung des ausscheidenden Gesellschafters am Verkehrswert der Gesellschaft (wie in Absatz 2 dieses § 17 definiert) entsprechend seiner prozentualen Beteiligung am Stammkapital der Gesellschaft.

- (2) Der Verkehrswert der Gesellschaft ist auf der Basis der seit dem 1. Januar 2009 zwischen den Gesellschaftern abgeschlossenen Kaufverträge auf 100% der Geschäftsanteile an der Gesellschaft zu berechnen.
- (3) Das Abfindungsguthaben kann in Raten gezahlt werden. Die Höhe der Raten und die Zahlungszeitpunkte werden auf der Grundlage der seit dem 1. Januar 2009 zwischen den Gesellschaftern abgeschlossenen Kaufverträge festgelegt. Bei Ratenzahlung hat der Schuldner der Abfindung die Bürgschaft einer europäischen Bank beizubringen, die die Zahlung der ausstehenden Abfindung ab dem Tag des dinglichen Übergangs der betroffenen Anteile sichert.

D. Jahresabschluss und Sonstiges

§ 18 Jahresabschluss

- (1) Innerhalb der ersten drei Monate des Geschäftsjahres haben die Geschäftsführer den Jahresabschluss (Bilanz nebst Gewinn- und Verlustrechnung samt Anhang) und den Lagebericht aufzustellen und dem Aufsichtsrat zusammen mit ihrem Gewinnverwendungsvorschlag zur Prüfung gem. § 171 AktG vorzulegen. Werden Jahresabschluss und Lagebericht durch einen Abschlussprüfer geprüft, so haben die Geschäftsführer dem Aufsichtsrat die genannten Unterlagen unverzüglich nach Eingang des Prüfungsberichts des Abschlussprüfers zusammen mit dem Prüfungsbericht vorzulegen.
- (2) Die Geschäftsführer haben die in Abs. 1 genannten Unterlagen gleichzeitig mit der Vorlage beim Aufsichtsrat den Gesellschaftern zur Kenntnis vorzulegen. Sobald den Geschäftsführern der Bericht des Aufsichtsrats gemäß § 171 Abs. 2 AktG vorliegt, haben sie diesen den Gesellschaftern unverzüglich mit ihrer eigenen Stellungnahme zum Bericht des Aufsichtsrates zur Beschlussfassung über den Jahresabschluss und über die Ergebnisverwendung vorzulegen. Nach Ablauf einer dem Aufsichtsrat gemäß § 171 Abs. 3 S. 2 AktG gesetzten weiteren Frist haben die Geschäftsführer den Gesellschaftern unverzüglich mitzuteilen, dass der Jahresabschluss gemäß § 171 Abs. 3 S. 3 AktG als vom Aufsichtsrat nicht gebilligt gilt.

§ 19 Bekanntmachungen

Bekanntmachungen der Gesellschaft erfolgen nur im elektronischen Bundesanzeiger.

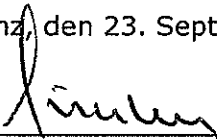
§ 20
Schlussbestimmungen

- (1) Sollte eine der Vorschriften dieses Gesellschaftsvertrages unwirksam sein oder werden, wird hierdurch die Gültigkeit der übrigen Vertragsbestimmungen nicht berührt. Anstelle der unwirksamen Bestimmung ist eine wirksame Bestimmung zu vereinbaren, die dem von den Gesellschaftern Gewollten am nächsten kommt.
- (2) Gleiches gilt im Fall einer Regelungslücke.
- (3) Alle durch diese Urkunde veranlassten Kosten einschließlich ihres gerichtlichen Vollzugs trägt die Gesellschaft.

Bescheinigung gemäß § 54 GmbH-Gesetz

Die in dem vorstehenden Gesellschaftsvertrag geänderten Bestimmungen stimmen mit dem am heutigen Tag gefassten Beschluss über die Änderung des Gesellschaftsvertrages und die unveränderten Bestimmungen mit dem zuletzt zum Handelsregister eingereichten vollständigen Wortlaut des Gesellschaftsvertrages überein.

Erkelenz, den 23. September 2014



(Dr. Andreas Pützhoven, Notar)



Articles of Association
MHWirth GmbH

A. General Provisions

§ 1
Name of the Company

The Name of the Company is:

MHWirth GmbH

§ 2
Registered Office

The registered office of the company is Erkelenz.

§ 3
Duration of the Company, financial year

- (1) The company is established for an indefinite period.
- (2) The financial year of the company is the calendar year.

§ 4
Object of the Company

- (1) The object of the company is the production, development, design and distribution as well as the rental of all types of machinery, in particular drilling equipment, pumps, partial cutting machines, tunnel and shaft drilling machines and related products, including tools and spare parts, as well as the performance of all related business activities.
The company's other activities include contract hardening, heat treatment and commercial temporary employment services.

- (2) The company may take all other business measures that are appropriate to promote the purpose of the Company. The Company may acquire interests in other companies of the same or a similar nature and establish branches.

§ 5

Share capital

- (1) The share capital of the Company amounts to:

9,328,700.- Euro

(In words: nine million three hundred twenty-eight thousand seven hundred Euro).

- (2) The share capital is subdivided into 13 shares with the serial numbers 1 to 13, which were subscribed by:

- a) Aker MH AS (formerly signed with the Company name Aker Kvaerner MH AS) for:

- a share at a nominal value of Euro 1,718,648.00, serial number 1,
- a share at a nominal value of Euro 622,856.00, serial number 7,
- a share at a nominal value of Euro 4,664,350.00, serial number 13,

- b) Mr. Christophorus Kleuters for:

- a share at a nominal value of Euro 335,512.00, serial number 2,
- a share at a nominal value of Euro 342,360.00, serial number 3,
- a share at a nominal value of Euro 342,360.00, serial number 4,
- a share at a nominal value of Euro 342,360.00, serial number 5,
- a share at a nominal value of Euro 342,360.00, serial number 6,

- c) Mr. Wilfried Kroppen for:

- a share at a nominal value of Euro 121,594.00, serial number 8,
- a share at a nominal value of Euro 124,075.00, serial number 9,
- a share at a nominal value of Euro 124,075.00, serial number 10,
- a share at a nominal value of Euro 124,075.00, serial number 11,
- a share at a nominal value of Euro 124,075.00, serial number 12.

- (3) A shareholder's shares may only be divided or consolidated with the consent of the Shareholders' Meeting. The management must be notified of any division or consolidation in

writing without delay. They shall take effect upon entry of the amended shareholders in the commercial register.

- (4) Each shareholder is obliged to notify the management immediately in writing of any changes in his person or his share in the Company and to provide evidence thereof. As a rule, proof shall be provided by means of the original document or a notarised copy, in the case of succession by application of § 35 German Land Registry Act (*Grundbuchordnung – GBO*).

§ 6

Acts of disposal of shares

- (1) The acts of disposal of shares or parts of shares requires the prior consent of the Shareholders' Meeting in order to be valid. The disposal of shares held by Aker MH AS to companies affiliated with Aker MH AS within the meaning of Sections 15 et seq. of the German Stock Corporation Act (*Aktiengesetz - AktG*) does not require consent.
- (2) Disposal within the meaning of paragraph (1) means any sale, transfer or encumbrance, including the granting of a usufruct or a sub-participation.

B. Organisation of the Company

§ 7

Governing Bodies

- (1) The Governing Bodies of the Company are:
1. the Managing Director(s),
 2. the Supervisory Board,
 3. the Shareholders' Meeting.

§ 8

Management

- (1) The Company has one or several Managing Directors. They shall be appointed and dismissed by the Shareholders.
- (2) The Managing Directors conduct the business of the Company in accordance with the law, the Articles of Association, the employment contracts, rules of procedure adopted by the shareholders, which also stipulate the allocation of duties as well as in accordance with other resolutions adopted by the shareholders. The shareholders may determine certain types of business laid down by the internal rules of procedure for which the Managing Directors require the prior consent by the shareholders' resolution. They may give managing instructions and issue directives for the business policy.

§ 9

Representation

- (1) If only one Managing Director is appointed, he shall represent the Company alone. If several Managing Directors are appointed, each of them shall represent the Company jointly with another Managing Director or a authorized representative ("*Prokurist*").
- (2) The Shareholders' Meeting may grant one or several Managing Directors the sole power of representation and/or the exemption from the restraints of Section 181 of the German Civil Code (*BGB*).

§ 10

Business transactions subject to approval

- (1) The Managing Directors require the prior approval of the Supervisory Board for the following business transactions:
 - a) Acquisition and sale of enterprises and parts of enterprises, if the value of the counterpart exceeds € 6,000,000.00 in the particular case.
 - b) Acquisition and sale of real property, if the value of the counterpart exceeds €12,000,000.00 in the particular case.
 - c) Taking on loans and assuming liabilities outside the ordinary course of business if the loan taken or the liability assumed exceeds € 60,000,000.00 in the particular case.
- (2) Notwithstanding this, the approval requirements of the shareholders' resolutions and the rules of procedure apply to the management.

§ 11**Supervisory Board / Composition**

- (1) The Company has a Supervisory Board. Its composition, rights and duties are determined by the provisions of the German Act on Employee Participation in Supervisory Boards (*Drittelbeteiligungsgesetz*) and the applicable provisions of the German Stock Corporation Act (*Aktiengesetz*) and the provisions of this Articles of Association.
- (2) The Supervisory Board consists of six members. Four members are elected by the Shareholders' Meeting and two members are elected by the employees. The shareholder Aker MH AS is entitled to propose three members of the Supervisory Board for election by the Shareholders' Meeting; all shareholders shall exercise their voting rights in accordance with the resolution proposed by Aker MH AS. The shareholders Christophorus Kleuters and Wilfried Kroppen are jointly entitled to propose one member of the Supervisory Board for election by the Shareholders' Meeting; all shareholders shall exercise their voting rights in accordance with the resolution proposed by Christophorus Kleuters and Wilfried Kroppen.
- (3) The members are elected for the period until the end of the Shareholders' Meeting that decides on the discharge for the fourth financial year after the election; the financial year in which the term of office begins is not included. Re-election is permitted.

If a member leaves the Supervisory Board before the end of their term of office, a replacement can only be appointed for the remaining term of office of the member who has left.

- (4) Each member of the Supervisory Board may at all times resign from office by a written declaration submitted to the Chairman of the Supervisory Board.
- (5) The Supervisory Board shall elect a Chairman and an alternate for the period of its term of office. The term of office of the Chairman and his alternate corresponds to the period of the term of office as a member of the Supervisory Board, unless a shorter term of office is determined at the election. If the Chairman or his alternate vacate their office during the term of office, the Supervisory Board is to proceed to a new election without undue delay. The Vice Chairman shall only assume the rights and obligations of the Chairman, if the latter is prevented from performing his duties.
- (6) The Supervisory Board may lay down internal rules of procedure within the scope of the mandatory legal provisions and the provisions of these Articles of Association.

§ 12**Meetings of the Supervisory Board / Resolution**

- (1) The meetings of the Supervisory Board shall be convened by the Chairman with fourteen days' notice. The day on which the invitation is sent and the day of the meeting shall not be included in the calculation of this period. The meeting must be convened in writing or by fax. In urgent cases, the Chairman may shorten the period of notice.
- (2) The Supervisory Board may also pass resolutions by telephone conference or outside of meetings by means of written, electronic (§ 126a BGB), telephonic or text form (§ 126b BGB) votes, as well as by e-mail or fax, if the Chairman of the Supervisory Board orders such a resolution and no member of the Supervisory Board objects to this procedure.
- (3) The Supervisory Board shall constitute a quorum if at least three members participate in the resolution. Absent members may participate in the resolution by having another member of the Supervisory Board cast their vote in writing. If they exercise this right, they shall be deemed 'present' for the purposes of establishing a quorum.
- (4) The Supervisory Board passes its resolutions by a majority of the votes cast. In the event of a tie, the chairperson of the Supervisory Board has the casting vote.
- (5) The Chairman or, if the Chairman is unable to attend, his or her deputy is authorised to make the declarations necessary within the Supervisory Board to implement the resolutions of the Supervisory Board and its committees. Only the Chairman or, if the Chairman is unable to attend, his or her deputy is authorised to accept declarations on behalf of the Supervisory Board.

§ 13

Remuneration

The members of the Supervisory Board shall receive reimbursement for their expenses. The Shareholders' Meeting may grant them special remuneration.

§ 14

Shareholders' Meeting and resolutions

- (1) Shareholders' meetings shall be convened by the Managing Directors.
- (2) The Shareholders' Meetings shall be convened in writing or by fax at least one week in advance. The day on which the invitation is sent and the day of the Shareholders' Meeting are not included in the calculation of the notice period.

- (3) The shareholder with the largest share in the share capital chairs the Shareholders' Meeting.
- (4) The Shareholders' Resolutions are passed at Shareholders' Meetings. Resolutions may also be passed in a telephone conference or outside a Shareholders' Meeting by written, electronic (Section 126a BGB), telephonic or text form (Section 126b BGB), by fax or e-mail, if all shareholders participate in the passing of the resolution or declare their agreement with the procedure before or during the passing of the resolution.
- (5) A Shareholders' Meeting is only quorate if at least 75.1% of the share capital is represented. If less than 75.1 % of the share capital is represented, a new Shareholders' Meeting shall be convened without delay in accordance with paragraph 2. This new Shareholders' Meeting shall be quorate regardless of the number of votes represented if this was indicated in the notice convening the meeting.
- (6) The Shareholders' Resolutions are passed by a majority of the votes cast, unless the law or these Articles of Association provide for a different majority. Each € 1.00 of a share entitles the holder to one vote.
- (7) Minutes of the Shareholders' Resolutions must be prepared by the shareholder participating in the resolution with the most votes for documentation purposes, not as a prerequisite for validity. A copy of the minutes must be sent to each shareholder.
- (8) Shareholders' Resolutions may only be contested in writing within one month of receipt of the Minutes of the Shareholders' Meeting and no later than six months after the Resolution has been passed.

C. Withdrawal of a shareholder

§ 15

Exclusion of a shareholder / Redemption

- (1) The redemption of shares shall be permissible with the consent of the shareholder concerned.
- (2) The redemption of shares without the consent of the shareholder concerned is not permitted unless otherwise stipulated by mandatory statutory provisions (in particular in the event of dismissal or exclusion for good cause). Good cause also exists in particular if insolvency proceedings have been opened against the assets of a shareholder or the opening of such proceedings has been rejected for lack of assets or the share is pledged or otherwise

enforced by a creditor of the shareholder and the enforcement measure is not cancelled within three months, at the latest until the share has been realised.

- (3) The shareholder concerned shall be entitled to claim compensation in accordance with Section 17 of these Articles of Association.

§ 16

Request for assignment instead of redemption

- (1) Instead of a permissible redemption the shareholder may likewise be excluded by Shareholders' Resolution with a majority of the votes cast. In the event of the exclusion of Christopherus Kleuters or Wilfried Kroppen, the assignment shall be effected in favour of Aker MH AS. In the event of the exclusion of Aker MH AS, the assignment shall be effected in favour of the remaining shareholders in proportion to their shareholding. The assignment shall take effect between the parties involved with effect under the law of obligations at the end of the day on which the respective Shareholders' Resolution is passed. The assignment shall only effective upon acceptance by the intended purchaser.
- (2) Section 15 paragraph 3 applies accordingly.

§ 17

Compensation

- (1) The redemption (or assignment) shall be effected against an compensation. The compensation shall correspond to the departing shareholder's percentage share in the market value of the Company (as defined in paragraph 2 of this Section 17) in accordance with his percentage share in the Company's share capital.
- (2) The current market value of the Company is to be calculated on the basis of the purchase agreements concluded between the shareholders since 1 January 2009 for 100% of the shares in the Company.
- (3) The compensation payment may be effected by instalments. The amount of the instalments and the payment dates are determined on the basis of the purchase agreements concluded between the shareholders since 1 January 2009. In the case of payment by instalments, the debtor of the compensation must provide a guarantee from a European bank that secures payment of the outstanding compensation from the date of the transfer in rem of the shares concerned.

D. Annual accounts and any other business

§ 18

Annual accounts

- (1) Within the first three months of the financial year, the Managing Directors must prepare the annual financial statements (balance sheet, income statement and notes) and the management report and submit them to the Supervisory Board together with their profit appropriation proposal for review in accordance with Section 171 AktG. If the annual financial statements and management report are audited by an auditor, the Managing Directors must submit the aforementioned documents to the Supervisory Board together with the audit report immediately upon receipt of the auditor's report.
- (2) The Managing Directors shall submit the documents referred to in paragraph 1 to the shareholders for information at the same time as they are submitted to the Supervisory Board. As soon as the Managing Directors have received the Supervisory Board's report in accordance with Section 171 para. 2 AktG, they must submit this to the shareholders without delay together with their own statement on the Supervisory Board's report for the resolution on the annual financial statements and the appropriation of earnings. After expiry of a further deadline set for the Supervisory Board in accordance with Section 171 para. 3 sentence 2 AktG, the Managing Directors must inform the shareholders without delay that the annual financial statements are deemed not to have been approved by the Supervisory Board in accordance with Section 171 para. 3 sentence 3 AktG.

§ 19

Announcements

Announcements of the Company shall only be published in the Electronic Federal Gazette (*Bundesanzeiger*).

§ 20

Final provisions

- (1) Should any of the provisions of these Articles of Association be invalid or become invalid, this shall not affect the validity of the other provisions. The invalid provision shall be replaced by an agreed valid provision, which comes as close as possible to the intended purpose of the shareholders.
- (2) The same shall apply, if the provisions of these Articles of Association are found to be incomplete.
- (3) All costs incurred in performing this deed inclusive of its judicial execution shall be borne by the Company



Government of Dubai

Issued Pursuant to UAE Law No. 2 of
1986 & Jebel Ali Free Zone
Companies Implementing Regulations
2016

MEMORANDUM AND ARTICLES OF ASSOCIATION of MHWirth FZE

Incorporated on 17 April 2008 in the
Jebel Ali Free Zone, Dubai, United
Arab Emirates



**FREE ZONE ESTABLISHMENT
MEMORANDUM OF ASSOCIATION**

of

MHWirth FZE

1 FZE NAME

The name of the free zone establishment is 'MHWirth FZE' (the FZE).

2 FZE REGISTERED ADDRESS

The Registered address of the FZE will be situated in the Jebel Ali Free Zone and is 'Office FZJOAB1510 Jebel Ali JAFZA, Dubai UAE'.

3 BUSINESS OBJECTIVES

3.1 The business objectives for which the FZE is established are:

- (a) Well Drilling Equipment Trading Oilfield & Natural Gas Equipment & Spare Parts Trading;
- (b) to carry on all such business within the area of the Jebel Ali Free Zone as the Jebel Ali Free Zone Authority may permit under the terms of the licence issued in respect of the FZE; and
- (c) to carry on any other trade or business which can be carried on by the FZE in connection with or as ancillary to any of the business objectives mentioned in this Clause 3 or the general business of the FZE.

4 GENERAL

4.1 This Memorandum of Association may not be amended, unless a resolution of the shareholder of the FZE is passed at a general meeting or in writing by the shareholder of the FZE, in person, or where proxies are allowed, by proxy.

4.2 The FZE shall have separate legal personality wholly distinct from that of its shareholder and the liability of the shareholder for the debts and obligations of the FZE shall be limited to the amount of the share capital of the FZE paid and payable by the relevant shareholder. To the extent that the shareholder has partly paid for shares in the share capital of the FZE, the relevant shareholder shall be liable for the paid and unpaid portion of the shares they hold in the share capital of the FZE.

I / We, the undersigned, am desirous of forming a free zone establishment pursuant to this Memorandum of Association.


SIGNED by

Knut Abrahamsen
For and on behalf of
MHWirth AS

DATED: 10.10.2019



FREE ZONE ESTABLISHMENT
ARTICLES OF ASSOCIATION
of
MHWirth FZE

1 INTRODUCTION

- 1.1 Any terms defined in these Articles shall have the meanings as set out in Schedule 1.
- 1.2 Unless the context otherwise requires, words or expressions contained in these Articles, shall have the same meaning as in the Implementing Regulations as in force on the date when these Articles become binding on the FZE.

2 CAPITAL AND SHARES

Share Capital 10 Million Dirhams

- 2.1 The capital of the FZE is 10 Shares with a value of AED 1,000,000 each. Each Share must be paid in full by the Shareholder when allotted, unless the Registrar authorises a Share to be partly paid.

Details of the Shareholder

- 2.2 The capital of the FZE is distributed as follows:

(a) **Name of Shareholder:** MHWirth AS

Nationality: Norwegian

Address: Butangen 20, 4639 Kristiansand Norway

Number of Shares: 10 (10 Million Dhs)

Percentage: 100%

- 2.3 Subject to the provisions of the Implementing Regulations and without prejudice to any rights, entitlements or restrictions attached to any existing Share, the FZE may issue Shares as may be determined by a Resolution.

Rights attached to Shares

- 2.4 Each Share:

- (a) carries the right to vote at a General Meeting;
- (b) represents a proportionate interest in the ownership of the FZE; and
- (c) ranks equally with other Shares in all respects.

Changes to the Share Capital

- 2.5 The FZE may through a Resolution :

- (a) increase the share capital of the FZE by issuing further Shares;
- (b) consolidate and divide all or some of the Shares into:



64

- (i) a lesser number of Shares than before the consolidation, resulting in an increase in the value of each Share;
- (ii) a greater number of Shares than before the consolidation, resulting in a decrease in the value of each Share;

provided the aggregate value of the Shares remains the same before and after the consolidation or division.

- (c) issue Shares for consideration other than cash, as long as the value of the consideration other than cash is confirmed in writing by an auditor and the auditor is approved by the Registrar; and
- (d) decrease the capital by:
 - (i) reducing the value of the shares, either by (i) reimbursing part of the value to the Shareholder; or (ii) absolving the Shareholder of the unpaid amount of their Shares, where the Registrar has permitted Shares to be partly paid; or
 - (ii) cancelling paid up capital, to reflect: (i) a loss sustained by the FZE; or (ii) where the available assets of the FZE no longer represent the capital,

provided the procedures as prescribed in the Implementing Regulations in order to decrease the capital are followed; and

- (e) purchase its own Shares, as treasury shares, subject to the approval of the Registrar.

3 TRANSFER OF SHARES

- 3.1 The Shareholder may transfer his/its Shares in the FZE to a third party by virtue of an instrument of transfer in writing.
- 3.2 The instrument of transfer in writing shall be executed by the transferor and the transferee (or their duly authorised representatives) in front of a representative of the Authority and any other documents required by the Authority to register the transfer of shares shall be submitted to the Authority at the same time.
- 3.3 A transfer of the Shares shall not bind the FZE or any person until the date on which the transfer of Shares is registered in the Companies Register which is maintained by the Registrar.

4 TRANSMISSION OF SHARES

- 4.1 If the Shareholder dies, his personal representative shall be the only person recognised by the FZE as having title to the Shares.
- 4.2 A person becoming entitled to a Share in consequence of the death or bankruptcy of the Shareholder shall be registered as a Shareholder upon giving notice to the FZE and upon registration he shall have the same rights as the previous Shareholder.
- 4.3 At the time a person is registered as a Shareholder in the Companies Register, that person shall automatically agree to be bound by the Memorandum of Association and the Articles of Association of the FZE.

5 DIVIDENDS



Decision to Declare a Dividend

- 5.1 Subject to the Implementing Regulations, the FZE may by a decision of the Directors, declare dividends.
- 5.2 Unless the decision of the Director(s) to declare a dividend or the Resolution to pay a dividend specify otherwise, the dividend must be paid to the Shareholder on the date of the Resolution.
- 5.3 Where a dividend is declared or a distribution made, or the same is recommended to the Shareholder, the Directors must resolve that immediately after a dividend is declared or a distribution is made the FZE should, on reasonable grounds, be able to pay its debts as they become due in the normal course of business.
- 5.4 A dividend shall be recommended by the Directors to the Shareholder. The Shareholder may by a Resolution declare a dividend which is higher than the amount recommended by the Directors, however, such a dividend shall only be payable to the extent the Directors are able to provide the decision set out in Article 5.3 in respect of the dividend amount recommended by the Shareholder.

Distribution meaning

- 5.5 In this Article 5, "distribution" means the distribution of assets of the FZE to the Shareholder, including dividends, whether in cash or otherwise, except distribution by way of:
- (a) an issue of bonus shares;
 - (b) redemption or purchase of the FZE's own Shares, out of the share capital or out of unrealised profits;
 - (c) reduction of share capital, by extinguishing or reducing the liability of a Shareholder on the Shares; and
 - (d) distribution of assets to the Shareholder on its winding up.
- 5.6 The Shareholder must return a distribution received from the FZE if the distribution has been made in contravention of this Article 5. Where the distribution received is in a form other than cash, the Shareholder must pay a sum equal to the value of the distribution.

Interim Dividends

- 5.7 Subject to the provisions of the Implementing Regulations, the FZE may, in accordance with a decision of the Directors, pay interim dividends if it appears to them that they are justified by the profits of the FZE available for distribution.

Payment of Dividends

- 5.8 Any dividend or other moneys payable in respect of a Share may be paid by cheque sent by post to the registered address of the Shareholder. Every cheque shall be made payable to the order of the Shareholder, or to such other person as the Shareholder may in writing direct, and payment of the cheque shall be a good discharge to the FZE.

General



- 5.9 No dividend or other moneys payable in respect of a Share shall bear interest.
- 5.10 Any dividend which has remained unclaimed for twelve years from the date when it became due for payment shall, if the Directors so resolve, be forfeited and cease to remain owing by the FZE. The amount of the dividend shall then be dealt with in accordance with the applicable Accounting Standards.

6 DIRECTORS AND MANAGEMENT

Powers of Directors

- 6.1 Subject to the matters that are required to be determined by the Shareholder at a General Meeting as provided in these Articles and the Implementing Regulations, the Directors are responsible for the management of the FZE's business, for which purpose they may exercise all of the powers of the FZE.
- 6.2 In the event the FZE proposes to create a security interest as permitted under the Implementing Regulations, to be issued by the FZE, the Directors shall have the power to register the security interest with the Registrar.

Appointment and Removal of Directors

- 6.3 The FZE shall have at least one (1) Director.
- 6.4 The first Director(s) shall be appointed by the Shareholder that incorporated the FZE. A Director may be appointed or removed, and any vacancy filled, by a Resolution.
- 6.5 The FZE shall have a secretary, who shall be appointed and removed by a Resolution (the **Secretary**). The offices of a Director and Secretary may be held jointly by a single person.

Conflict of Interest

- 6.6 If a Director has a direct or indirect interest in a transaction entered into or proposed to be entered into by the FZE or a Subsidiary of the FZE, which interest, to a material extent conflicts or may conflict with the interests of the FZE and of which conflict the Director is aware, the Director must disclose to the FZE the nature and extent of the interest.
- 6.7 The disclosure under Article 6.6 must be made by the Director in writing to the FZE, as soon as practicable after the Director becomes aware of the circumstances which gave rise to the duty of the Director to make the disclosure.
- 6.8 The transaction, in which a conflict arises as described in this Article 6 may still be authorised by the FZE. The Directors shall refer the transaction to a General Meeting and the Shareholder may by a Resolution confirm the transaction.
- 6.9 The FZE or the Shareholder may not claim a transaction to be void, or hold a Director accountable where:
- the transaction is confirmed by a Resolution; and
 - the nature and extent of the Director's interest in the transaction was accurately disclosed in reasonable detail in the notice calling the General Meeting at which the resolution confirming the transaction is passed.



Proceedings of Directors

- 6.10 To the extent that the FZE does not have more than one (1) Director, Articles 6.11 to 6.24 do not apply and the Director may take decisions without regard to Articles 6.11 to 6.24.
- 6.11 Any decision of the Directors must be either a majority decision at a meeting of the Directors or a decision taken in accordance with Article 6.12.
- 6.12 A decision of the directors is taken in accordance with this Article when all eligible Directors (entitled to vote on a matter if it had been proposed at a meeting) approve the form of a resolution in writing, copies of which have been signed by each eligible Director or to which each eligible Director has otherwise indicated agreement in writing.

Calling a Meeting

- 6.13 A Director may, and the Secretary at the request of a Director shall, call a meeting of the Board.
- 6.14 Notice of any Directors' or Board meeting must indicate:
- (a) its proposed date and time;
 - (b) where it is to take place;
 - (c) an agenda of items to be considered at the meeting;
 - (d) any supporting documents that should be considered before the meeting; and
 - (e) if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.
- 6.15 Notice of a Directors' meeting must be given to each Director in writing at least five (5) days from when the meeting is scheduled to take place, unless all of the eligible Directors (entitled to vote on a matter if it had been proposed at a meeting) approve to a shorter notice period.

Participation in Directors' meetings

- 6.16 Directors participate in a Directors' meeting, or part of a Directors' meeting, when:
- (a) the meeting has been called and takes place in accordance with these Articles, and
 - (b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
- 6.17 If all the Directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is located.

Quorum

- 6.18 The quorum for the transaction of the business of the board of Directors shall be two or any other number fixed by the Directors.



- 6.19 If the number of Directors is less than the number fixed as the quorum, the continuing Directors or Director may act only for the purpose of filling vacancies in respect of employees of the FZE or of calling a General Meeting.

Alternate Director

- 6.20 Any Director may appoint any other Director or any other person approved by the Directors to act as his alternate and may remove the alternate Director so appointed. The alternate Director shall perform all the functions of his appointor as a Director only in the absence of the Director.
- 6.21 An alternate Director shall be given notice of all meetings of which his appointor is entitled to receive notice and is entitled to attend and vote at such meetings.
- 6.22 An alternate Director holds office for as long as his appointor holds office unless he is removed by written instrument by his appointor.
- 6.23 Any appointment or removal of an alternate Director shall be given to the Secretary of the FZE.
- 6.24 Unless otherwise provided, an alternate Director shall not be regarded as the agent of his appointor but shall be responsible for his acts or omissions.

Minutes

- 6.25 The Secretary shall cause minutes to be kept to record:
- (a) all appointments of officers made by the Directors or Shareholder; and
 - (b) all proceedings at General Meetings of the FZE's Shareholder and of the Directors including the names of the Directors present at each such meeting.
- 6.26 The Secretary is authorised by the FZE to certify true copies of the minutes, or extracts of the minutes.

Manager

- 6.27 The FZE shall have a manager, whose name will be recorded in the Companies Register and appear on the licence of the FZE issued by the Authority (the **Manager**).

Appointment and Removal of the Manager

- 6.28 The position of a Manager may be held by the Shareholder, Director or the Secretary.
- 6.29 The Manager may be appointed or removed by a Resolution or by a decision of the Directors.

Powers of the Manager

- 6.30 The Manager is authorised and directed by the Shareholder to manage the day to day affairs of the FZE and undertake all activities required for that purpose including, but not limited to:
- (a) the power to act for, in the name of and on behalf of the FZE;



- (b) deal with and do all things necessary with the Customs Authority, in order to clear any goods to be used by the FZE from the Customs Authority;
- (c) deal with and do all things necessary with the relevant labour and immigration departments at the Authority in order to register and cancel the employment of any employees of the FZE as well as any other matters concerning the FZE, its employees and the immigration and labour departments;
- (d) sign and execute any lease agreement to be entered into between the FZE and the Authority in respect of the premises to be leased by the FZE;
- (e) liaise and deal with the Dubai Electricity & Water Authority, district cooling, du, Etisalat and any other utility companies, in respect of the supply of any utility services to the FZE; and
- (f) sign and execute any application forms, letters, submissions or requests to the Authority or equivalent government authorities in any other jurisdiction.

7 GENERAL MEETINGS

- 7.1 The FZE shall hold a General Meeting as its annual General Meeting within eighteen (18) months from the date of the FZE's incorporation. A General Meeting shall then be held at least once every twelve (12) months thereafter.
- 7.2 Any meetings of the Shareholder which is not the annual General Meeting shall be referred to as an extra-ordinary General Meeting.

Calling a General Meeting

The Directors may call a General Meeting to consider a matter that the Directors determine requires consideration by the Shareholder. They must call a General Meeting, at least once every twelve (12) months in accordance with Article 7.1.

Notice of a General Meeting

- 7.3 A General Meeting shall be called by a notice in writing of at least fourteen (14) days and no more than two (2) months to the Shareholder, the Directors and the auditor. If a meeting is called by a shorter notice than fourteen (14) days, the meeting will be considered to be duly called if it is so agreed by the Shareholder.
- 7.4 The notice should:
 - (a) specify the time, place and date of the meeting;
 - (b) provide the agenda of the meeting;
 - (c) state the general nature of the business of the meeting;
 - (d) state the intention to propose a resolution, if any;
 - (e) permit the Shareholder to appoint a proxy who may attend and vote on its or his behalf; and
 - (f) include a copy of accounts and auditor's report, if relevant.



Quorum and Voting

- 7.5 A General Meeting of the FZE will be considered to be convened, and a resolution will be considered to be passed at such General Meeting, by the Shareholder issuing a decision in writing. If a decision is not taken in writing, the Shareholder may provide the FZE with a record in writing of the decision.

Proxy

- 7.6 The Shareholder is entitled to appoint a proxy for the purposes of representing and voting on its or his behalf at a General Meeting. The instrument of proxy and form of notice to be provided to the FZE for the purposes of appointing a proxy, shall be in the form prescribed in the Implementing Regulations.

Minutes

- 7.7 Minutes of General Meetings shall be prepared summarising all decisions which have taken place at, as well as the decisions taken by, the General Meeting. The minutes shall be entered in a special register, be signed by the Shareholder and be kept at the FZE's head office.
- 7.8 The Shareholder may have access to the register referred to in Article 7.7, either personally or by his/its duly authorised representative, and he/it may also review the balance sheet, the profit and loss account and the annual report of the FZE.

8 ACCOUNTS

Requirement to prepare Accounts

- 8.1 The accounts of the FZE must be approved by the Directors and must be examined and reported on by an auditor. Once the accounts are approved and examined, the Manager must sign the accounts.
- 8.2 The Directors must, for each financial year, lay before a General Meeting:
- (a) the accounts of the FZE, as approved by the Directors and signed by the Manager; and
 - (b) the report of the auditor,
- in order for the Shareholder to consider and if deemed appropriate, approve the accounts of the FZE for the relevant financial year.
- 8.3 If the Shareholder passes a resolution in writing or at a General Meeting in respect of a particular financial year, that:
- (a) no accounts or auditor's report should be laid before a General Meeting for that financial year; or
 - (b) no auditor should be appointed, subject to the approval of the Registrar,
- the requirement to lay the accounts and the auditor's report before a General Meeting or appointing the auditor, will be waived until the commencement of the next financial year.

Auditor Appointment



- 8.4 The Registrar shall maintain a list of approved auditors and the FZE must appoint an auditor from the list for the purposes for which the auditor is required under the Implementing Regulations. The FZE may appoint more than one auditor.
- 8.5 The Shareholder may appoint an auditor. If no appointment is made, the existing auditor's term will be extended until a successor is appointed.
- 8.6 An auditor shall have the right to access the records of the FZE that may be required for the audit. The FZE shall provide all information the auditor considers necessary in order to complete its audit.
- 8.7 An auditor is entitled to receive notice of a General Meeting and to attend a General Meeting in respect of an agenda item that is in relation to a matter that the auditor may be concerned with.

9 SECURITY INTERESTS

Share Pledge

- 9.1 The Shareholder may pledge all or any of its or his Shares owned by the Shareholder to a bank or financial institution in respect of a debt or obligation of the Shareholder, the FZE or any other person, by virtue of a written instrument, signed by the Shareholder and the relevant bank or financial institution, in a form approved by the Registrar.

Other Security Interests

- 9.2 The Directors may by a resolution of the Directors at a Board meeting, approve of the FZE granting as security for a debt or obligation of the FZE or any other person:
- (a) a conditional assignment of a lease agreement entered into by the FZE, in favour of any person;
 - (b) a mortgage over a building created pursuant to Law no. 1 of 2002 Mortgage of Immovable Property Erected at Jebel Ali Free Zone, issued by Maktoum Bin Rashid Al Maktoum, Ruler of Dubai, in favour of a bank or financial institution;
 - (c) a pledge over the FZE's movable assets, in favour of any person; or
 - (d) any other security interest available under the laws of the UAE, in favour of any person, and as permitted by the Registrar.
- 9.3 The instrument creating the security interest pursuant to Article 9.2, shall be in a form approved by the Registrar. The security interest shall be created at the time the instrument creating the security interest is entered into the security register maintained by the Registrar.

10 WINDING UP

- 10.1 The FZE may be wound up:
- (a) by the Registrar; or
 - (b) voluntarily, by a Resolution.
- 10.2 The FZE may be wound up in any one of the following cases:



- (a) the period fixed for the duration of the FZE has expired;
 - (b) when an event as prescribed in these Articles takes place, which results in the FZE being required to be wound up; or
 - (c) the Shareholder at a General Meeting, by a Resolution, resolves for the FZE to be wound up voluntarily.
- 10.3 Subject to the Implementing Regulations, if the FZE is to be wound up voluntarily, the Shareholder may by a Resolution, appoint one or more auditors as liquidators, whose appointment shall be notified to the Registrar.
- 11 MISCELLANEOUS**
- 11.1 Subject to the prior approval of the Authority or the Registrar, the Shareholder may by a Resolution, alter, cancel, supplement, or vary any or all of these Articles, as it may consider appropriate from time to time.
- 11.2 The FZE shall comply with:
- (a) the Memorandum and Articles of Association of the FZE;
 - (b) the Implementing Regulations;
 - (c) the provisions of Federal Law No (2) of 2015, as applied by the Registrar; and
 - (d) the terms of the licence issued by the Authority to the FZE.
- 11.3 Any dispute or claim arises which is in any way connected with the Memorandum of Association of the FZE or this Articles of Association of the FZE shall be referred to the Dubai Courts.
- 11.4 Matters not provided for in this Memorandum of Association of the FZE or this Articles of Association shall be subject to the Implementing Regulations and the provisions of the UAE Federal Law No. (2) of 2015 as applied at the discretion of the Registrar.

I / We, the undersigned, am desirous of forming a free zone establishment pursuant to this Articles of Association and agree to be bound by these Articles of Association.


SIGNED by

Knut Abrahamsen
 For and on behalf of
 MHWirth AS

DATED: 10.10.2019



Schedule 1 – Definitions

1 In these Articles, the following terms shall have the meanings set opposite:

'Accounting Standards'	means the International Financial Reporting Standards issued by the International Accounting Standards Board;
'AED'	means UAE Dirhams, the lawful currency of the UAE;
'Articles'	means these articles of association of the FZE;
'Authority'	means the Jebel Ali Free Zone Authority;
'Board'	means the board of Directors;
'Companies Register'	means the register of companies maintained by the Registrar;
'Customs Authority'	means Dubai Customs;
'Directors'	means the directors of the FZE;
'FZE'	means the company to be incorporated by the Shareholder pursuant to this Memorandum;
'General Meeting'	means a general meeting of the Shareholder duly convened in accordance with the provisions of these Articles;
'Implementing Regulations'	means the Jebel Ali Free Zone Companies Implementing Regulations 2016;
'Manager'	has the meaning given to it in Clause 6.27;
'Secretary'	has the meaning given to it in Article 6.5;
'Shares'	means shares in the capital of the FZE;
'Shareholder'	means the shareholder of the FZE, particulars of which are set out in Article 2.2;
'Subsidiary'	means a body corporate: fifty per cent (50%) of whose directors can be elected by another company; or whose majority voting rights are directly or indirectly controlled or owned by another company.
'Registrar'	means the person appointed as Registrar of companies pursuant to the Implementing Regulations;
'Resolution'	means a resolution passed at a General Meeting by the Shareholder in person, or where proxies are



USA

	allowed, by proxy or a resolution in writing signed by the Shareholder or its authorised representative; and
'UAE'	means the United Arab Emirates.

2 * In these Articles, unless the context otherwise requires:

- (a) words in the singular shall include the plural and vice versa and words importing any gender includes every gender;
- (b) words relating to natural persons shall include companies, entities, associations or bodies of persons whether incorporated or not;
- (c) references to month, monthly and year and any other references in time shall be construed by reference to the Gregorian calendar;
- (d) references to times of day are, unless the context requires otherwise, to the time in the UAE and references to a day are to a period of 24 hours running from midnight on the previous day;
- (e) references to any legislation or legislative provision is a reference to it as amended or extended from time to time, or as replaced with equivalent or similar provisions;
- (f) references to periods of time as being given from a given day, or day on which an act or event occurs, are to be calculated inclusive of that day; and
- (g) references to any legislation or legislative provision is a reference to it as amended or extended from time to time, or as replaced with equivalent or similar provisions.

3 The headings in these Articles are for convenience only and shall not affect its interpretation.



Appendix 11 - Articles of Association of MHWirth do Brasil
Equipamentos Ltda

(Rest of the page intentionally left blank)



MHWIRTH DO BRASIL EQUIPAMENTOS LTDA.

Hash: CC83E856-DEDA-4E77-A2FA-A1F0098F721A

Orgão	Calculado	Pago
Junta	600,00	600,00
DNRC	0,00	0,00

TERMO DE AUTENTICAÇÃO

Código Ato

Eventos

002	<table><tr><th>Cód</th><th>Qtde.</th><th>Descrição do Ato / Evento</th></tr><tr><td>021</td><td>1</td><td>Alteração / Alteração de Dados (Exceto Nome Empresarial)</td></tr><tr><td>051</td><td>1</td><td>Alteração / Consolidação de Contrato / Estatuto</td></tr><tr><td>xxx</td><td>xx</td><td>xx</td></tr><tr><td>xxx</td><td>xx</td><td>xx</td></tr><tr><td>xxx</td><td>xx</td><td>xx</td></tr></table>	Cód	Qtde.	Descrição do Ato / Evento	021	1	Alteração / Alteração de Dados (Exceto Nome Empresarial)	051	1	Alteração / Consolidação de Contrato / Estatuto	xxx	xx	xx	xxx	xx	xx	xxx	xx	xx
Cód	Qtde.	Descrição do Ato / Evento																	
021	1	Alteração / Alteração de Dados (Exceto Nome Empresarial)																	
051	1	Alteração / Consolidação de Contrato / Estatuto																	
xxx	xx	xx																	
xxx	xx	xx																	
xxx	xx	xx																	

CERTIFICO O DEFERIMENTO POR LEONARDO FERNANDES DINIZ PEREIRA SOB O NÚMERO E DATA ABAIXO:

[illegible]

Deferido em 02/04/2025 e arquivado em 03/04/2025


Gabriel Oliveira de Souza Vitorino
SECRETÁRIO GERAL

Nº de Páginas	Capa Nº Páginas
---------------	-----------------

12


 $1/3$

Observação:

Para validar o documento acesse <https://www.jucerja.rj.gov.br/servicos/chanceladigital>, informe o nº de protocolo.



Pag. 01/12



Presidência da República
Ministério do Empreendedorismo, da Microempresa e da Empresa de Pequeno Porte
Secretaria Nacional de Microempresa e Empresa de Pequeno Porte
Diretoria Nacional de Registro Empresarial e Integração
Junta Comercial do Estado do Rio de Janeiro

Nº do Protocolo
2025/00388727-3
28/03/2025 10:34:10
JUCERJA
Último arquivamento:
00006897950 - 01/04/2025
NIRE: 33.2.1042752-1
MHWIRTH DO BRASIL EQUIPAMENTOS LTDA.
Boleto(s): 105036495
Hash: CC83E856-DEDA-4E77-A2FA-A1F0098F721A

NIRE (DA SEDE OU DA FILIAL QUANDO A SEDE FOR EM OUTRA UF)
33.2.1042752-1

Tipo Jurídico
Sociedade empresária limitada

Porte Empresarial
Normal

Orgão	Calculado	Pago
Junta	600,00	600,00
DREI	0,00	0,00

REQUERIMENTO

Ilmo Sr. Presidente da Junta Comercial do Estado do Rio de Janeiro

MHWIRTH DO BRASIL EQUIPAMENTOS LTDA.

requer a v. sa o deferimento do seguinte ato:

Código do Ato

002

Código Evento	Qtde.	Descrição do ato / Descrição do evento
021	1	Alteração / Alteração de Dados (Exceto Nome Empresarial)
051	1	Alteração / Consolidação de Contrato / Estatuto
XXX	XXX	XX
XXX	XXX	XX
XXX	XXX	XX

Requerente

Nome:	WILSON JOSE ANDERSEN BALLAO
Assinatura:	ASSINADO DIGITALMENTE O Requerente DECLARA, sob sua responsabilidade pessoal, sem prejuízo das sanções administrativas, cíveis e penais, a veracidade dos documentos e assinaturas apresentados no presente processo
Telefone de contato:	4132217777
E-mail:	paralegal@andersenballao.com.br
Tipo de documento:	Digital
Data de criação:	28/03/2025
Data da 1ª entrada:	



2025/00388727-3



<p>MHWIRTH DO BRASIL EQUIPAMENTOS LTDA. CNPJ 28.779.772/0001-92 NIRE 332.1042752-1 16th AMENDMENT TO THE ARTICLES OF ASSOCIATION</p>	<p>MHWIRTH DO BRASIL EQUIPAMENTOS LTDA. CNPJ 28.779.772/0001-92 NIRE 332.1042752-1 16^a ALTERAÇÃO DO CONTRATO SOCIAL</p>
<p>By means of this instrument,</p> <p>1. MHWIRTH AS, a company duly incorporated under the laws of Norway, registered under number 942 524 544, enrolled before the Brazilian Corporate 'Taxpayers' Register (CNPJ) under n. 15.306.059/0001-80, with its headquarters at Butangen 20, 4639 Kristiansand S, Kristiansand, Norway, herein represented by its attorney-in-fact, Mr. Wilson José Andersen Ballão, Brazilian, married, lawyer, enrolled with the Brazilian Bar Association/Paraná (OAB/PR) under n. 8.351, enrolled with the Individual Taxpayer's Register (CPF) under n. 319.481.119-34, with business address at Avenida Jaime Reis, 86, bairro São Francisco, Curitiba, State of Paraná, Zip Code 80.510-010, Brazil;</p> <p>sole shareholder of MHWIRTH DO BRASIL EQUIPAMENTOS LTDA., a limited liability company (<i>sociedade empresária limitada</i>), with its headquarters in the City of Macaé, State of Rio de Janeiro, at Rua Sergio Roberto Franco, s/n, Imboassica, Zip Code 27932-354, enrolled with the Brazilian Corporate 'Taxpayers' Register under n. 28.779.772/0001-92, with its Articles of Association duly filed before the Board of Trade of the State of Rio de Janeiro - JUCERJA, under NIRE n. 332.1042752-1 ("<u>Company</u>"), decide to amend and restate the Articles of Association of the Company, in accordance with the clauses and conditions hereinafter:</p> <p>1. Resignation of officer</p> <p>1.1. The sole shareholder decides to accept the resignation, without reservations, of the current officer and consequently to remove from management Mr. Trond Hugo Fiskum, Norwegian, married, executive, bearer of the Alien's Identity Card RNE n. V409127-P issued by CIMCRE/CGPMAF of the Brazilian Federal Police enrolled with the Individual Taxpayer's Register under n. 740.319.451-91, with professional domicile at Rua Sergio</p>	<p>Pelo presente instrumento,</p> <p>1. MHWIRTH AS, sociedade constituída de acordo com as leis da Noruega, registrada sob o número 942 524 544, inscrita no CNPJ sob o nº 15.306.059/0001-80, com sede na Butangen 20, 4639 Kristiansand S, Kristiansand, Noruega, neste ato representada por seu procurador o Sr. Wilson José Andersen Ballão, brasileiro, casado, advogado regularmente inscrito na OAB/PR sob o nº 8.351, inscrito no CPF sob o nº 319.481.119-34, com endereço profissional na Avenida Jaime Reis, 86, bairro São Francisco, Curitiba, Estado do Paraná, CEP 80.510-010, Brasil;</p> <p>na qualidade de sócia única de MHWIRTH DO BRASIL EQUIPAMENTOS LTDA., sociedade limitada, com sede no município de Macaé, Estado do Rio de Janeiro, na Rua Sergio Roberto Franco, s/n, Imboassica, CEP 27932-354, inscrita no CNPJ sob o nº 28.779.772/0001-92, com seus atos constitutivos arquivados na Junta Comercial do Estado do Rio de Janeiro - JUCERJA sob o NIRE 332.1042752-1 ("<u>Sociedade</u>"), resolvem alterar e consolidar o Contrato Social da Sociedade, que passa a vigor com a seguinte redação:</p> <p>1. Renúncia do administrador</p> <p>1.1. A sócia única decide aceitar a renúncia, sem reservas, feita pelo atual administrador, e, conseqüentemente, destituir da administração o Sr. Trond Hugo Fiskum, norueguês, casado, executivo, portador da Cédula de Identidade de Estrangeiro RNE nº V409127-P emitida pela CIMCRE/CGPMAF da Polícia Federal e inscrito no CPF sob o nº 740.319.451-91, com endereço profissional no município de Macaé, Estado do Rio de Janeiro,</p>

Internal

<p>MHWIRTH DO BRASIL EQUIPAMENTOS LTDA. CNPJ 28.779.772/0001-92 NIRE 332.1042752-1 16th AMENDMENT TO THE ARTICLES OF ASSOCIATION</p>	<p>MHWIRTH DO BRASIL EQUIPAMENTOS LTDA. CNPJ 28.779.772/0001-92 NIRE 332.1042752-1 16^a ALTERAÇÃO DO CONTRATO SOCIAL</p>
<p>Roberto Franco, s/n, Quadra 03, parte, Fazenda Boa Vista, Imboassica, Macaé - RJ Zip Code 27.932-354</p> <p>1.2. Mr. Trond Hugo Fiskum, above qualified, grants full and unconditional and irrevocable discharge to the Company and its shareholders, current and former, in relation to his rights as officer, declaring he has nothing to complain or demand in this regard.</p> <p>2. <u>Appointment of new officer</u></p> <p>2.1. As a consequence of the resignation of the current officer, the sole shareholder decides to appoint as a new Officer to the Company Mrs. Marina Paixão Medina Capistrano, Brazilian Citizen, married, lawyer, holder of Identity Card RG No. 117603258/IFPRJ and registered with the CPF/MF under n. 111.141.767-96, with a residential address in the municipality of Rio de Janeiro, State of Rio de Janeiro, at Av. Aquarela do Brasil, 333, ap. 2003, bl. 1, Zip Code 22610-010.</p> <p>2.2. The new officer expressly declares, under the penalties of the law, that she is not prevented from performing corporate activities and those related to acting as officer of the Company, as required by §1º article 1.011 of the Brazilian Civil Code.</p> <p>2.3. Due to the above resolution, the First Paragraph of Clause Six of the Company's Articles of Association becomes effective with the following wording:</p> <p><i>First Paragraph - The sole shareholder herein appoints and invest Mrs. Marina Paixão Medina Capistrano, Brazilian Citizen, married, lawyer, holder of Identity Card RG No. 117603258/IFPRJ and registered with the CPF/MF under No. 111.141.767-96, with a professional address in the municipality of Rio de Janeiro, State of Rio de Janeiro, at Av. Aquarela do Brasil,</i></p>	<p>na Rua Sergio Roberto Franco, s/n, Quadra 03, parte, Fazenda Boa Vista, Imboassica, CEP 27.932-354.</p> <p>1.2. O Sr. Trond Hugo Fiskum, acima qualificado, confere ampla, inequívoca e irretroatável quitação em relação à Sociedade e suas sócias, atuais e ex-sócias, pelos seus direitos como administrador, declarando nada ter a reclamar ou a exigir desses neste sentido.</p> <p>2. <u>Nomeação de nova administradora</u></p> <p>2.1. Como consequência da renúncia do atual administrador, a sócia única decide nomear uma nova administradora para a Sociedade, a Sra. Marina Paixão Medina Capistrano, brasileira, casada, advogada, portadora da Cédula de Identidade RG nº 117603258/IFPRJ e inscrita no CPF/MF sob o nº 111.141.767-96, com endereço profissional no município do Rio de Janeiro, Estado do Rio de Janeiro, na Av. Aquarela do Brasil, 333, ap. 2003, bl. 1, CEP 22610-010.</p> <p>2.2. A nova administradora declara expressamente, sob as penas da lei, que não está impedida de exercer atividade empresarial e cargo de administrador da Sociedade, nos termos do § 1º do artigo 1.011 do Código Civil Brasileiro.</p> <p>2.3. Em razão da deliberação acima, o Parágrafo Primeiro da Cláusula Sexta do Contrato Social da Sociedade passa a vigorar com a seguinte redação:</p> <p><i>Parágrafo Primeiro – A sócia única neste ato decide pela nomeação e posse da Sra. Marina Paixão Medina Capistrano, brasileira, casada, advogada, portador da Cédula de Identidade RG nº 117603258/IFPRJ e inscrita no CPF/MF sob o nº 111.141.767-96, com endereço profissional no município do Rio de Janeiro, Estado do Rio de Janeiro, na Av. Aquarela do</i></p>

Internal

<p>MHWIRTH DO BRASIL EQUIPAMENTOS LTDA. CNPJ 28.779.772/0001-92 NIRE 332.1042752-1 16th AMENDMENT TO THE ARTICLES OF ASSOCIATION</p>	<p>MHWIRTH DO BRASIL EQUIPAMENTOS LTDA. CNPJ 28.779.772/0001-92 NIRE 332.1042752-1 16^a ALTERAÇÃO DO CONTRATO SOCIAL</p>
<p><i>333, ap. 2003, bl. 1, Zip Code 22610-010.</i></p> <p>3. <u>Restatement of the Articles of Association</u></p> <p>3.1. Finally, the sole shareholder decides to restate the Articles of Association, which shall be effective with the following wording, having incorporated the resolutions above:</p> <p><u>MHWIRTH DO BRASIL EQUIPAMENTOS LTDA. CNPJ 28.779.772/0001-92 NIRE 332.1042752-1 RESTATED ARTICLES OF ASSOCIATION</u></p> <p>1. MHWIRTH AS, a company duly incorporated under the laws of Norway, registered under number 942 524 544, enrolled before the Brazilian Corporate 'Taxpayers' Register (CNPJ) under n. 15.306.059/0001-80, with its headquarters at Butangen 20, 4639 Kristiansand S, Kristiansand, Norway, herein represented by its attorney-in-fact, Mr. Wilson José Andersen Ballão, above qualified;</p> <p>sole shareholder of MHWIRTH DO BRASIL EQUIPAMENTOS LTDA., a limited liability company (<i>sociedade empresária limitada</i>), with its headquarters in the City of Macaé, State of Rio de Janeiro, at Rua Sergio Roberto Franco, s/n, Imboassica, Zip Code 27932-354, enrolled with the Brazilian Corporate 'Taxpayers' Register (CNPJ) under n. 28.779.772/0001-92, with its Articles of Association duly filed before the Board of Trade of the State of Rio de Janeiro - JUCERJA, under NIRE n. 332.1042752-1 ("Company"), decide to restate the Articles of Association of the Company, in accordance with the clauses and conditions hereinafter:</p> <p>CLAUSE ONE - NAME AND</p>	<p><i>Brasil, 333, ap. 2003, bl. 1, CEP 22610-010.</i></p> <p>3. <u>Consolidação do Contrato Social</u></p> <p>4.1. Por fim, resolve a sócia única consolidar o Contrato Social, o qual, já incorporadas as deliberações acima, passa a vigorar com a seguinte redação:</p> <p><u>MHWIRTH DO BRASIL EQUIPAMENTOS LTDA. CNPJ 28.779.772/0001-92 NIRE 332.1042752-1 CONTRATO SOCIAL CONSOLIDADO</u></p> <p>1. MHWIRTH AS, sociedade constituída de acordo com as leis da Noruega, registrada sob o número 942 524 544, inscrita no CNPJ sob o nº 15.306.059/0001-80, com sede na Butangen 20, 4639 Kristiansand S, Kristiansand, Noruega, neste ato representada por seu procurador o Sr. Wilson José Andersen Ballão, acima qualificado;</p> <p>na qualidade de sócia única de MHWIRTH DO BRASIL EQUIPAMENTOS LTDA., sociedade limitada, com sede no município de Macaé, Estado do Rio de Janeiro, na Rua Sergio Roberto Franco, s/n, Imboassica, CEP 27932-354, inscrita no CNPJ sob o nº 28.779.772/0001-92, com seus atos constitutivos arquivados na Junta Comercial do Estado do Rio de Janeiro - JUCERJA sob o NIRE 332.1042752-1 ("Sociedade"), resolvem consolidar o Contrato Social da Sociedade, que passa a vigor com a seguinte redação:</p> <p>CLÁUSULA PRIMEIRA -</p>

Internal

<p>MHWIRTH DO BRASIL EQUIPAMENTOS LTDA. CNPJ 28.779.772/0001-92 NIRE 332.1042752-1 16th AMENDMENT TO THE ARTICLES OF ASSOCIATION</p>	<p>MHWIRTH DO BRASIL EQUIPAMENTOS LTDA. CNPJ 28.779.772/0001-92 NIRE 332.1042752-1 16^a ALTERAÇÃO DO CONTRATO SOCIAL</p>
<p>APPLICABLE LAW</p> <p>The Company is a business company, entitled MHWIRTH DO BRASIL EQUIPAMENTOS LTDA. and shall be governed by the present Articles of Association, by Law 10,406, of January 10th, 2002, and, on a subsidiary basis, by Law 6,404 of December 15th, 1976, and other applicable legislation.</p> <p>CLAUSE TWO - ADDRESS</p> <p>The Company shall have its head office in the city of Macaé, Rio de Janeiro, at Sergio Roberto Franco, s/n, Imboassica, Zip Code 27932-354.</p> <p>Sole Paragraph - The Company may open and close branches, agencies, representative offices or other premises anywhere in the country or abroad, by resolution of the sole shareholder.</p> <p>CLAUSE THREE - CORPORATE PURPOSE</p> <p>The Company's purpose shall be the following activities: (a) Purchase, sale, manufacture, import, export, engineering, consulting, management, installation, maintenance, technical assistance, provision of training services, supervision, operation and leasing of equipment, machinery and accessories related to oil&gas and mining industries, directly or indirectly, including offshore services; (b) real estate rent; (c) participation in other companies, as a partner or shareholder; and (d) research and experimental development in physical and natural sciences.</p>	<p>DENOMINAÇÃO SOCIAL E REGÊNCIA</p> <p>A Sociedade é uma sociedade empresária limitada, denomina-se MHWIRTH DO BRASIL EQUIPAMENTOS LTDA. e rege-se pelo presente Contrato Social, pela Lei 10.406, de 10 de janeiro de 2002, supletivamente pela Lei 6.404, de 15 de dezembro de 1976 e demais normas aplicáveis.</p> <p>CLÁUSULA SEGUNDA - ENDEREÇO</p> <p>A Sociedade tem sua sede social no município de Macaé, Estado do Rio de Janeiro, na Rua Sergio Roberto Franco, s/n, Imboassica, CEP 27932-354.</p> <p>Parágrafo Único - A Sociedade poderá abrir e fechar filiais, agências, escritórios de representação, ou outros estabelecimentos em qualquer parte do País ou no exterior, por deliberação da sócia única.</p> <p>CLÁUSULA TERCEIRA - OBJETO SOCIAL</p> <p>O objeto social da Sociedade consiste nas atividades descritas a seguir: (a) Compra, venda, fabricação, importação, exportação, engenharia, consultoria, gerenciamento, instalação, manutenção, assistência técnica, prestação de serviços de treinamento, supervisão, operação e locação de equipamentos, máquinas e acessórios concernentes às indústrias petrolífera e de mineração, direta ou indiretamente, incluindo a prestação de serviços em mar aberto (offshore); (b) locação de imóveis; (c) participação em outras sociedades, como sócia-quotista ou acionista; e (d) pesquisa e desenvolvimento experimental em ciências físicas e naturais.</p>

MHWIRTH DO BRASIL EQUIPAMENTOS LTDA. CNPJ 28.779.772/0001-92 NIRE 332.1042752-1 16th AMENDMENT TO THE ARTICLES OF ASSOCIATION	MHWIRTH DO BRASIL EQUIPAMENTOS LTDA. CNPJ 28.779.772/0001-92 NIRE 332.1042752-1 16^a ALTERAÇÃO DO CONTRATO SOCIAL
---	--

CLAUSE FOUR - DURATION The Company shall exist for an indefinite period of time. CLAUSE FIVE – CAPITAL STOCK The corporate capital fully subscribed and paid in, in Brazilian currency and assets, is of two hundred and eight million, four hundred and ninety-seven thousand, five hundred and eighty-five Reais (BRL 208,497,585.00), divided into two hundred and eight million, four hundred and ninety-seven thousand, five hundred and eighty-five (208,497,585) shares, with par value of one Real (BRL 1.00) each. Sole Paragraph. One hundred percent (100%) of quotas representing the capital stock of the Company, as well as all profits, income, cash, rights, distributions, interest on capital (juros sobre capital próprio) and all other amounts received, receivable or otherwise distributed to the quotaholder upon any collection, exchange, sale or other disposition of any of the quotas, and any property into which any of the quotas is converted, and all other amounts paid or payable under or in connection with any of the quotas, and, in any event, including dividends and all income from the quotas, were pledged in favor of the Secured Parties, represented by Nordic Trustee AS, a private company with limited liability duly organized and existing in accordance with the laws of Norway, headquartered at Kronprinsesse Märthas plass 1, NO-0160, Oslo, Norway, registered with the Norwegian Register of Business Enterprises under number 963 342 624, as security agent on behalf of certain secured parties (“ <u>Security Agent</u> ”), pursuant to the Intercreditor Agreement dated November 22, 2023 (“ <u>Intercreditor Agreement</u> ”), as amended, restated, supplemented, extended or otherwise modified from time to time, amongst others, by HMH	CLÁUSULA QUARTA - PRAZO DE DURAÇÃO O prazo de duração da Sociedade é indeterminado. CLÁUSULA QUINTA - CAPITAL SOCIAL O capital social, totalmente subscrito e integralizado em moeda corrente do País e em bens, é de R\$ 208.497.585,00 (duzentos e oito milhões quatrocentos e noventa e sete mil quinhentos e oitenta e cinco reais), dividido em 208.497.585 (duzentas e oito milhões quatrocentas e noventa e sete mil quinhentas e oitenta e cinco) quotas, com valor nominal de R\$ 1,00 (um real) cada uma. Parágrafo Único. Cem por cento (100%) das quotas representativas do capital social da Sociedade, bem como todos os lucros, receitas, recursos, direitos, distribuições, juros sobre capital próprio e quaisquer outros valores recebidos, a receber, ou de outra forma a ser distribuídos para a sócia mediante qualquer coleta, troca, venda ou outra alienação de qualquer uma das quotas, e qualquer outro ativo ao qual as quotas possam ser convertidas, e todos os outros valores pagos ou a pagar em relação à qualquer das quotas e, em qualquer caso, incluindo dividendos e toda receita vinculada às quotas, foram empenhadas em favor das Partes Garantidas (Secured Parties), representadas por Nordic Trustee AS, sociedade limitada devidamente organizada e existente de acordo com as leis da Noruega, com sede na Kronprinsesse Märthas plass 1, NO-0160, Oslo, Noruega, registrada no Registro de Empresas Norueguês sob o nº 963 342 624, na qualidade de agente de garantias em benefício de certas partes garantidas (“ <u>Agente de Garantia</u> ”), de acordo com o Intercreditor Agreement de 22 de novembro de 2023 (“ <u>Intercreditor Agreement</u> ”), conforme aditado, consolidado, suplementado, estendendo ou modificado de outra forma de
--	--

Internal

<p>MHWIRTH DO BRASIL EQUIPAMENTOS LTDA. CNPJ 28.779.772/0001-92 NIRE 332.1042752-1 16th AMENDMENT TO THE ARTICLES OF ASSOCIATION</p>	<p>MHWIRTH DO BRASIL EQUIPAMENTOS LTDA. CNPJ 28.779.772/0001-92 NIRE 332.1042752-1 16^a ALTERAÇÃO DO CONTRATO SOCIAL</p>
<p>Holding B.V., in its capacity as company (“<u>Issuer</u>”); Nordic Trustee AS in its capacity as bond trustee and security agent, all in accordance with and as set forth in the Quota Pledge Agreement dated as of January 16, 2024, entered into by and between MHWirth AS, as pledgor (“<u>Pledgor</u>”), the Security Agent (acting for the benefit of the Secured Parties), as pledgee, and the Company, as intervening party (the “<u>Quota Pledge Agreement</u>”), which is filed at the Company’s head office, in order to secure all of the Secured Obligations (as defined in the Intercreditor Agreement). The pledge created under the Quota Pledge Agreement shall be extended to any new quotas issued or distributed by the Company to the quotaholders, as well as shares issued thereby in case of modification of the corporate form of the Company into a corporation, being thus fully agreed and understood that the total amount of pledged quotas pursuant to the Quota Pledge Agreement shall always correspond to one hundred percent (100%) of the capital stock of the Company unless otherwise permitted under the Intercreditor Agreement.</p> <p>CLAUSE SIX – MANAGEMENT</p> <p>The Company shall be managed by one officer, shareholder or not, duly appointed, dismissed and/or substituted by means of the sole shareholder’s resolution formalized in the Articles of Association of the Company or in a separate act. The officer appointed by the sole shareholder will be subject to the limitations of power set forth in these Articles of Association.</p> <p>First Paragraph - The sole shareholder herein appoints and invest Mrs. Marina Paixão Medina Capistrano, Brazilian Citizen, married, lawyer, holder of Identity Card RG</p>	<p>tempos em tempos, entre outros, HMM Holding B.V. na qualidade de companhia (“<u>Emissora</u>”); Nordic Trustee AS na qualidade agente fiduciário (bond trustee) e agente de garantias (security agent), tudo em conformidade com e disposto no Contrato de Penhor de Quotas, datado de 16 de janeiro de 2024, celebrado por e entre MHWirth AS, como garantidora (“<u>Garantidora</u>”), o Agente de Garantia (agindo em benefício das Partes Garantidas), como beneficiário, e a Sociedade, como parte interveniente (o “<u>Contrato de Penhor de Quotas</u>”), o qual se encontra arquivado na sede da Sociedade, em vista de assegurar todas as Obrigações Garantidas (conforme definido no Intercreditor Agreement). O penhor criado nos termos do Contrato de Penhor de Quotas deve ser atribuído a quaisquer novas quotas emitidas ou distribuídas pela Sociedade aos sócios, assim como as ações emitidas desta forma no caso de modificação do tipo societário da Sociedade em uma companhia, sendo portanto completamente acordado e entendido que a quantidade total de quotas empenhadas em conformidade com o Contrato de Penhor de Quotas deve sempre corresponder a 100% (cem por cento) do capital social da Sociedade, exceto se de outra forma permitido no Intercreditor Agreement.</p> <p>CLÁUSULA SEXTA – ADMINISTRAÇÃO</p> <p>A Sociedade deverá ser administrada por uma administradora, sócia ou não, devidamente nomeada, destituída e/ou substituída por meio de resolução da sócia única formalizada no Contrato Social da Sociedade, ou em ato separado. A administradora indicada pela sócia única estará sujeita às limitações de poderes estabelecidos neste Contrato Social.</p> <p>Parágrafo Primeiro – A sócia única neste ato decide pela nomeação e posse da Sra. Marina Paixão Medina Capistrano, brasileira, casada, advogada, portador da Cédula de</p>

<p>MHWIRTH DO BRASIL EQUIPAMENTOS LTDA. CNPJ 28.779.772/0001-92 NIRE 332.1042752-1 16th AMENDMENT TO THE ARTICLES OF ASSOCIATION</p>	<p>MHWIRTH DO BRASIL EQUIPAMENTOS LTDA. CNPJ 28.779.772/0001-92 NIRE 332.1042752-1 16^a ALTERAÇÃO DO CONTRATO SOCIAL</p>
<p>No. 117603258/IFPRJ and registered with the CPF/MF under n. 111.141.767-96, with a residential address in the municipality of Rio de Janeiro, State of Rio de Janeiro, at Av. Aquarela do Brasil, 333, ap. 2003, bl. 1, Zip Code 22610-010.</p> <p>Second Paragraph - The appointed officer declares, under penalty of perjury, that he is not prevented of performing business activities and the position of management of the Company, on the terms of article 1,011, first paragraph, of Law 10,406, of January 10, 2002, nor is convicted or under the effects of a conviction which prohibits, even if temporarily, to hold public office, of bankruptcy crime, malfeasance, bribery, graft, embezzlement or crime against welfare, the national financial system, public faith or property.</p> <p>Third Paragraph - Officers shall not practice any of the acts listed below without the prior written approval of the sole shareholder:</p> <ol style="list-style-type: none">1. Change the head office of the Company;2. Liquidation of the Company;3. Encumbrance or disposition of permanent assets, either fixed or corporate;4. Any decision regarding the takeover, spin-off or merger of the Company;5. Request of judicial or extrajudicial restructuring or bankruptcy of the Company; and6. Bank operations such as issuance, endorsements, acceptance and check guarantee, as well as agreements, deeds, commercial papers and trade acceptance bill, including derivative agreements of exchange protection (hedge) which may bind the Company, that cost more than BRL 25,000,000.00 (twenty-five million Real). <p>Fourth Paragraph - The officer will, individually, represent the Company either as</p>	<p>Identidade RG nº 117603258/IFPRJ e inscrita no CPF/MF sob o nº 111.141.767-96, com endereço profissional no município do Rio de Janeiro, Estado do Rio de Janeiro, na Av. Aquarela do Brasil, 333, ap. 2003, bl. 1, CEP 22610-010.</p> <p>Parágrafo Segundo – A administradora nomeada declara, sob pena de perjúrio, que não está impedida de exercer as atividades de negócios ou a posição de administradora da Sociedade, nos termos do artigo 1.011, parágrafo primeiro, da Lei 10.406, de 10 de janeiro de 2002, e não foi condenada ou sob os efeitos de uma condenação que vede, ainda que temporariamente, de exercer cargos públicos, por crime falimentar, por prevaricação, suborno, concussão, peculato ou crime contra o bem-estar, o sistema financeiro nacional, a fé pública ou a propriedade.</p> <p>Parágrafo Terceiro - A administradora não deve praticar quaisquer dos atos listados abaixo, sem a aprovação prévia e por escrito da sócia única:</p> <ol style="list-style-type: none">1. Mudança da sede da Sociedade;2. Liquidação da Sociedade;3. Alienação ou oneração de bens do ativo permanente da Sociedade, seja fixo ou societário;4. Qualquer decisão relativa à incorporação, cisão ou fusão da Sociedade;5. Apresentação de pedido de recuperação judicial ou extrajudicial ou falência da Sociedade; e6. Contratos, escrituras, notas promissórias ou duplicatas que obriguem a Sociedade em valores superiores a R\$ 25.000.000,00 (vinte e cinco milhões de reais), incluindo, mas não se limitando a operações bancárias, tais como emissões de cheques, endossos, aceites, garantias e contratos derivativos de proteção cambial (hedge). <p>Parágrafo Quarto - A administradora individualmente, representará a Sociedade ativa</p>

Internal

<p>MHWIRTH DO BRASIL EQUIPAMENTOS LTDA. CNPJ 28.779.772/0001-92 NIRE 332.1042752-1 16th AMENDMENT TO THE ARTICLES OF ASSOCIATION</p>	<p>MHWIRTH DO BRASIL EQUIPAMENTOS LTDA. CNPJ 28.779.772/0001-92 NIRE 332.1042752-1 16^a ALTERAÇÃO DO CONTRATO SOCIAL</p>
<p>plaintiff or defendant, in and out of court, use the Company’s name, and perform all acts necessary for the regular operation of the Company, including giving undertakings and covenants, incurring loans with or without in rem or personal rights, issue, sign and guarantee notes, grant powers of attorney, assuming this list as an example and never restrictive to such powers, subject to the provisions of Third Paragraph above. Powers of Attorney must be valid for a limited term and must contain the description of the specific powers granted thereunder.</p> <p>CLAUSE SEVEN - RESOLUTIONS OF THE SOLE SHAREHOLDER</p> <p>Social resolutions of any nature will be taken by the sole shareholder and will be carried out: I - ordinarily, within the 04 (four) months following the end of the fiscal year to: (a) take the management accounts and resolution on the balance sheet and the economic result; (b) designate the managers and determine their remuneration, when applicable; and II - extraordinarily, whenever social interests require it.</p> <p>First Paragraph - The documents referred to in letter (a) of the previous paragraph will be made available to the sole shareholder at the meeting.</p> <p>Second Paragraph - The resolutions of the sole shareholder must be made in written and registered before the competent Board of Trade.</p> <p>CLAUSE EIGHT – FISCAL YEAR AND RESULTS</p> <p>The fiscal year will start on January 1st and end on December 31st of each year, when the inventory, the balance sheet and the economic</p>	<p>e passivamente, em juízo ou fora dele, usará da denominação social e praticará todos os atos necessários ao regular o funcionamento da Sociedade, podendo inclusive firmar compromissos, contrair empréstimos, com ou sem garantia de direito real ou pessoal, emitir, assinar e avalizar promissórias, outorgar procurações, compreendendo-se esta relação como de caráter meramente exemplificado e nunca restritivo de tais poderes, sempre respeitado o disposto ao Parágrafo Terceiro acima. As procurações eventualmente outorgadas deverão conter prazo de validade e poderes específicos.</p> <p>CLÁUSULA SÉTIMA – DAS DELIBERAÇÕES SOCIAIS DA SÓCIA ÚNICA</p> <p>As deliberações sociais de qualquer natureza serão tomadas pela sócia única e serão realizadas: I - ordinariamente, dentro dos 04 (quatro) meses seguintes ao término do exercício social para: (a) tomar as contas dos administradores e deliberar sobre o balanço patrimonial e o de resultado econômico; (b) designar os administradores e fixar a sua remuneração, quando for o caso; e II - extraordinariamente, sempre que os interesses sociais o exigirem.</p> <p>Parágrafo Primeiro - Os documentos de que trata a letra (a) do parágrafo anterior serão disponibilizados à sócia única na reunião.</p> <p>Parágrafo Segundo – As deliberações da sócia única deverão ser lavradas por escrito e registradas no órgão de registro de empresas competente.</p> <p>CLÁUSULA OITAVA - EXERCÍCIO SOCIAL E RESULTADOS</p> <p>O exercício social começará em 01 de janeiro e terminará em 31 de dezembro de cada ano, ocasião em que serão elaborados o inventário,</p>

Internal

<p>MHWIRTH DO BRASIL EQUIPAMENTOS LTDA. CNPJ 28.779.772/0001-92 NIRE 332.1042752-1 16th AMENDMENT TO THE ARTICLES OF ASSOCIATION</p>	<p>MHWIRTH DO BRASIL EQUIPAMENTOS LTDA. CNPJ 28.779.772/0001-92 NIRE 332.1042752-1 16^a ALTERAÇÃO DO CONTRATO SOCIAL</p>
<p>result balance will be prepared, pursuant to art. 1,065 of Law 10,406, of January 10, 2002.</p> <p>First Paragraph - The profits will have the destination determined by the sole shareholder and the losses will be accumulated for compensation in future years.</p> <p>Second Paragraph - The Company, by decision of the sole shareholder, may draw up half-yearly or interim balance sheets and, based on them, distribute profits.</p> <p>CLAUSE NINE – VENUE</p> <p>It is elected the Courts of the City of Macaé, State of Rio de Janeiro, as jurisdiction for judicial resolution of any disputes arising from this present instrument or related to it, excluding any other venue, regardless of how privileged they may be.</p> <p>Thus, the sole shareholder signs the document in one copy.</p> <p>Macaé, March 21, 2025.</p>	<p>o balanço patrimonial e o balanço de resultado econômico, nos termos do art. 1.065 da Lei 10.406, de 10 de janeiro de 2002.</p> <p>Parágrafo Primeiro - Os lucros terão a destinação determinada pela sócia única e os prejuízos serão acumulados para compensação em exercícios futuros.</p> <p>Parágrafo Segundo - A Sociedade, por deliberação da sócia única, poderá levantar balanços semestrais ou intercalares e, com base nos mesmos, distribuir lucros.</p> <p>CLÁUSULA NONA – FORO</p> <p>Fica eleito o Foro da Cidade de Macaé, Estado do Rio de Janeiro, como competente para dirimir quaisquer questões oriundas deste contrato ou a ele relativas, com exclusão de qualquer outro, por mais privilegiado que seja.</p> <p>Assim, a sócia única assina o presente instrumento em via única.</p> <p>Macaé, 21 de março de 2025.</p>

MHWIRTH AS
p.p Wilson José Andersen Ballão

MARINA PAIXÃO MEDINA CAPISTRANO
Administrador nomeado

Internal

IDENTIFICAÇÃO DOS ASSINANTES

CERTIFICO QUE O ATO DA MHWIRTH DO BRASIL EQUIPAMENTOS LTDA., NIRE 33.2.1042752-1, PROTOCOLO 2025/00388727-3, ARQUIVADO EM 03/04/2025, SOB O NÚMERO (S) 00006902851, FOI ASSINADO DIGITALMENTE.

CPF/CNPJ	Nome
<input checked="" type="checkbox"/> 319.481.119-34	WILSON JOSE ANDERSEN BALLAO
<input checked="" type="checkbox"/> 111.141.767-96	MARINA PAIXAO MEDINA CAPISTRANO

03 de abril de 2025.



Gabriel Oliveira de Souza Voi
Secretário Geral

Appendix 12 - Annual Financial Statements as of and for the financial year ended 31
December 2023 for HMM Holding B.V.



Annual Report
2023
HMM Holding B.V.

Content

Management Report	3
Consolidated Financial Statements of the Group	47
Consolidated income statement and Consolidated statement of other comprehensive income	48
Consolidated statement of financial position	49
Consolidated statement of cash flows	50
Consolidated statement of changes in equity	51
Notes to the consolidated financial statement	52
Company Financial Statements	99
Income statement and statement of other comprehensive income	100
Statement of financial position	101
Statement of cash flows	102
Statement of changes in equity	103
Notes to the company financial statements	104
Other information	117
Independent Auditor's Report	118



HMH Management Report 2023

For the year ended 31 December 2023

30 April 2024



Management report

The Directors of the Company hereby present their report for the financial year ended on 31 December 2023.

The management report also covers the development of the business, the results, the position of the Group and the effects of its activities. Furthermore, the report covers the proper understanding of the business model of the Group and the policies including anti bribery policy, environment, social and personnel affairs (referring to section Environmental and personnel-related information), respect for human rights and know your customer policy (KYC).

The report herein may contain certain forward-looking statements relating to HMH Holding B.V. and consolidated subsidiaries (the Group) that are based on the beliefs of the Group's management as well as assumptions made by and information currently available to the Group's management. These forward-looking statements are, by their nature, subject to significant risks and uncertainties. These forward-looking statements include, without limitation, statements relating to the Group's business prospects, future developments, trends and conditions in the industry and geographical markets in which the Group operates, its strategies, plans, objectives and goals, its ability to control costs, statements relating to prices, volumes, operations, margins, overall market trends, risk management and exchange rates.

These forward-looking statements reflect the Group's views at the time such statement was made with respect to future events and are not a guarantee of future performance or developments.



Business overview

HMH Holding B.V. (the “Company” or “HMH”) was incorporated as a limited liability company on 28 April 2021, and is organized and existing under the laws of the Netherlands. In total HMH Holding B.V. has issued 200 shares with a nominal value of 1 EUR leaving HMH Holding B.V. with a share capital of EUR 200. The Company is seated in Amsterdam and is registered in the Chamber of Commerce with CCI number 82719322, RSIN number 862578796.

The objectives of the Company are according to the Articles of Association §2.2;

- to incorporate, to in any manner participate or take any other interest in, to manage and to supervise businesses and companies of whatever nature;
- to give advice and to provide services to businesses and companies with which the Company is affiliated;
- to finance businesses and companies with which the Company is affiliated;
- to borrow and to raise funds, including the issuing of bonds, issuing guarantees, debentures, or other securities, and to enter into related agreements;
- to issue guarantees, to commit the Company to encumber the assets of the Company for the benefit of businesses, companies, and other legal entities with which the Company is affiliated with and for the benefit of third parties, as well as any and all things that are related or may be conducive to the above, all of this in the broadest sense of the word.

The Group objective is to be a premium drilling solution provider – delivering a broad portfolio of products and services that are designed to be among the safest and most capable and reliable in the industry. In addition to land and offshore drilling capabilities, The Group has expertise in subsea mining, geothermal, onshore, and offshore construction, and the onshore wind industry.

HMH Holding B.V. is the parent company of the Group. The Group has ~2,000 employees globally, with operations across Europe, North America, Latin America, the Middle East, Asia and Africa.



Our Global Presence



The Group delivers a global full-service offshore and onshore drilling equipment offering which provides customers with a broad portfolio of products and services that are designed to be safer and more efficient. The Group also actively embraces opportunities in other industries including offshore wind, subsea mining, civil construction, and innovative digital solutions.

The Group has two operating segments: Equipment and System Solutions (ESS) and Pressure Control Systems (PCS). The segments are managed separately and offer different products and services. However, the Group jointly provides global full-service delivery to customers in the same market segments, including the main categories of products and services discussed below.

ESS is a supplier of drilling solutions and complete top side drilling packages and services to both onshore and offshore oil and gas producers and drilling contractors, which includes overhaul, equipment installation and commissioning, services account management, 24/7 technical support, logistics, engineering upgrades, spare parts supply, training, condition-based maintenance, and other services. The ESS business consists of the legacy MHWirth business.



PCS is a supplier of integrated drilling products and services, and the key product offering consists of BOP systems, controls and drilling riser equipment, spare parts supply for rig operations and maintenance programs, overhaul and recertification and reactivation of rigs, technical and operational rig support which includes a 24/7 support center and Contractual Service Agreements/ Long Term Service Agreements. The PCS business consists of the legacy Subsea Drilling Systems business within Baker Hughes.

Main markets and business segment products and services

The Group serves customers in multiple industries, providing reliable and safe solutions that satisfy customer's needs.

Drilling (offshore and onshore)

The Group combines ESS' s topside drilling equipment packages (top drives, draw works, derricks, etc.) mud systems, and drilling risers, and PCS' pressure control equipment (blowout preventers (BOP), control systems, diverters, etc.) and drilling riser equipment. The Group has therefore become a wing-to-wing drilling solutions provider serving all drilling segments, including floaters (Semisubmersibles + Drill ships), jack-ups, fixed platforms, and onshore rigs.

The Group's primary customers include rig builders and/or owner operators in all segments, such as drilling contractors, oil companies, and shipyards.

The Group's main product offering, and key customers supports the following segments:

ESS

- Topside equipment, derrick handling, control systems & automated solutions, mud systems for floaters, jack-ups, fixed platforms, and onshore rigs
- Risers for floaters

PCS

- Pressure control systems and BOPs for floaters, jack-ups, fixed platforms, and onshore rigs

The Group's combined offering can be split into three main categories:

- Rig products
- Aftermarket services
- Rig intelligence/digital solutions



The rig products are provided across most drilling markets, either as single equipment sales or as part of larger construction projects. Furthermore, the Group offers aftermarket services for installed products, such as spare parts, maintenance, and overhaul and repair, securing repeat business and stable income for the duration of the lifetime of a rig.

Rig intelligence/digital solutions encompasses digital products and services that enable operational optimization such as drilling automation and condition-based maintenance. These offerings are an important revenue driver as they provide upgrade opportunities, and the technology can be redeployed in new business segments to provide for additional revenue.

Mining and Construction

ESS participates in certain non-oil related industries, primarily through provision of products and services to the mining and construction segments. These include pile top drilling rigs, heavy duty slurry pumps and offshore mining equipment.

- Heavy duty slurry pumps are used to move materials in a water slurry. Company has an installed base of over 115 pumps in throughout the world.
- The pile top drilling rig (PBA) market is a niche market in on -and offshore projects for hard rock drilling. The Group is a market leader with a number of PBAs sold.
- Subsea mining – the Group has provided equipment for a fleet of 5 drilling and mining vessels, all equipped with HMH drilling/mining systems.
- Seabed research – the Group has provided core sampling and methane hydrate investigation.

Opportunities in renewable markets

ESS has recognized the potential to utilize its expertise within those industries focused on the energy transition, and has highlighted offshore wind, geothermal and digital solutions as three key areas of opportunity going forward. Opportunities in renewable industries exist within the following main areas:

- Offshore wind - installation, operation & maintenance
- Digital solutions – SCADA, operational management systems, data collection & analytics
- Geothermal – drilling and controls



Outlook

With positive backdrops in the main markets that HMH serves, the Group estimates increased activity levels and revenue growth for both ESS and PCS business units in 2024 and beyond. More detail regarding the trends and drivers that will fuel growth across markets is provided below.

Offshore Drilling

After low commodity prices and record-low levels of investment were seen between 2015 and 2021, the oil and gas industry has seen a steady recovery in the last couple of years. Since then, commodity prices have remained at healthy levels, helping Operators generate record profits. Global demand for oil and gas has recovered to pre-COVID levels and historic highs, and industry experts expect that demand for these commodities will continue to grow for years to come.

With these elements in place, offshore drilling activity levels have recovered in the last two 2 years, and the expectation from most industry experts is that this trend will continue for several years. For instance, Rystad Energy expects offshore exploration and drilling activity to continue its upwards trajectory with floater demand growing by roughly 11% in 2024 to ~133 rig years and yet again in 2025 to ~147 rig years. Most of this growth is to come from Brazil, and from deepwater and ultra deepwater projects. Most plays in these basins are highly productive, which translates into high economic returns and lower emissions intensity vis-à-vis other oil and gas plays.

Similarly, Rystad forecasts that jackup demand is expected to grow to ~371 rig years in 2024. Most growth is expected to come from the MENA region, where local E&P companies and drilling contractors, have recently made, and are expected to continue making sizeable investments to increase drilling capacity in the region. The Group management expects that the growth in the number of active units equipped with HMH equipment should grow on par with the market.

With limited yard availability, and the costs to build new floaters being at high levels, the Group expects drilling contractors to address increases in demand with the existing asset base (e.g. rigs that are currently active, stacked or under construction). In line with this trend, HMH estimates increased ESS and PCS activity and revenue related to the re-activation, and delivery of rigs as well as recertification of equipment in the short-term.

It is important to bear in mind that many of the rigs that are currently active have been in operation for several years. In some cases, these units are equipped with older control systems that will need to be upgraded for them to remain marketable. Therefore, HMH expects to see growth in activity and revenue related to upgrades of drilling equipment and BOP control systems in the short to mid-term.



It is also important to consider that marketed utilization levels in both the floaters and jackup segments, have recovered significantly, with Rystad reporting Committed Utilization levels to be above 80% in both segments. Furthermore, the number of remaining cold stacked assets or rigs under construction that can be brought onto the active supply to address growing demand has significantly shrunk in the last couple of years, and most of the rigs that are currently listed as cold stacked, have been in that state for several years. In most cases, significant investment would be required to bring them back to an operational state. Therefore, many of these units could end up being retired/scrapped, meaning that drilling contractors may have a smaller universe of acceptable rigs from which to choose if demand continues to surge.

An unexpectedly large increase in global demand for oil and gas could, therefore, ultimately accelerate the arrival of the next drilling rig build cycle. In that event, the Group would be very well positioned to take advantage.

Onshore Drilling

The onshore drilling market represents a small part of HMH's product portfolio but is becoming an increasingly important segment on the back of its expanding penetration within the Middle East, North Africa and Latin America.

Onshore activity in the Middle East is expected to be a key growth driver, as E&P companies in the region, continue to make investments to increase local production of oil and gas. Rig utilization levels in the region are growing, and technical requirements are becoming more demanding. Local operating companies are looking to drill wells in increasingly challenging environments at higher temperatures and pressures, and companies with a technology edge such as HMH may be better positioned to provide products that deliver optimal performance in such conditions.

Other Markets

The Group is seeing a growing share of its revenue base from supporting industries that sit outside, or are adjacent to, the oil & gas sector. This is consistent with the general service market seeking opportunities outside oil and gas exploration to become broader energy service companies. The Group is increasingly targeting the onshore and subsea mining market as well as the renewable energy industry, which we expect to provide opportunities to expand its total installed base and service revenues.



Mining

The Group operates within the onshore and offshore mining industry. On the back of increased demand for batteries and digital technologies, the mining sector has seen growth in recent years, and HMH has benefitted from this trend. More than 40 newbuild slurry pumps have been ordered from the group in the last 4 years. Roughly 30 of these pumps have been delivered to customers between 2020 and 2023, with a dozen more to be delivered in 2024. With an increasing number of pumps in operation globally, the ESS business unit expects to see revenue growth from this sector in 2024.

Growth in the mining sector is expected to continue in coming years. The International Energy Agency estimates that in response to the shift to net zero, the world will require more mining, projecting that the annual demand for critical minerals from clean energy technologies will surpass US\$400bn by 2050, which is equivalent to the annual revenues of the current coal market.

In this context, the Group management expects to see yearly sales growth for its slurry pumps remain consistent with, or exceed, market growth. New regulations governing dewatering of slurry may further generate incremental demand for the type of heavy-duty slurry pumps that HMH produces, as higher discharge pressure pumps may be required to handle the transport of more concentrated fluids.

Renewable industries

The Group has recognized the potential to utilize its expertise within industries focused on the energy transition, and has highlighted offshore wind, geothermal and digital solutions as three key areas of opportunity going forward.

Resources

The Group is looking to attract additional resources in various growth areas and seeks to establish key resources in regions where capabilities are available, costs are competitive, and market conditions and future scenarios of the Group are favorable. This strategic approach will ensure that the Group's resource allocation aligns with the evolving market dynamics and long-term objectives.

Capital Expenditure

In the next three-year period, the Group will focus its capital expenditure on operational and strategic investments. Operational investments consist of maintenance and growth capital for our world class facilities and equipment ensuring we meet our customer needs. Strategic investments are related to initiatives supporting the development requirements related to new technology in the aforementioned market segments will be the main driver in the investment strategy.



Operational performance

The Group's financial estimates for the period 2024 to 2026 are based on organic and transactional growth, with a strategic focus on analyzing the worldwide market and pursuing growth opportunities where they are deemed favorable. Improvement of financial performance is a key priority, and the outlook in key business areas displays an inclining trend. The projected increase in rig count for floaters and jack-ups is expected to drive service revenue, margins, and cash flow growth, further enhancing operational performance.

The Group has adequate financial resources and financing to execute on the 2024 plans going into 2025. The Group aims to continue its research and development consistent with prior years. The Group expects sustained performance and delivery on growth targets will assure the Group has ample financing and equity opportunities to fund future growth.



Financial information

HMH Holding B.V.'s consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and with Section 2:362(9) of the Dutch Civil Code. The consolidated financial statements were authorized for issue by the Board of Directors on 30 April 2024. The Group's accounting policies are shown in the Annual Financial Statements 2023, Section 1.1.

Overall management analyzed the performance of the Group for 2023 and noted that operations are in accordance with its expectations and budget. Please refer to below where management explained the developments for the borrowings and operational performance.

The results below reflect performance for the twelve-month ended December 31, 2023.

<i>Amounts in USD million</i>	<i>01.01.2023-31.12.2023</i>	<i>01.01.2022-31.12.2022</i>
<i>Revenue and other income</i>	785.6	677.3
<i>EBITDA¹</i>	122.2	77.7
<i>Net profit (loss)</i>	10.7	-31.9
<i>Operational cash flow</i>	30.6	9.7
<i>Total assets</i>	1,373.3	1,296
<i>Total equity</i>	595.9	567.1

Financial performance

The Group reported financial performance in 2023 in above expectations in the second full year of operations as HMH. The Group revenue was mainly dominated by service activities and both segments reported strong EBITDA and operational cash flow as the market continues to recover and our customers continue to re-activate their rigs. Total assets and equity also increased compared to 2022. The increase of equity is mainly driven by a strong result for the year and a reclassification of share-based payment from liability to equity². HMH is a business with activity for which revenue recognition for some part is presented over time and hence both contract assets/liability and account receivable/payable have fluctuated in the reporting period due to progress in projects, billing milestones and customer payments.

¹ This is a non-GAAP measure and is further explained in the "Other Information" section

² Referencing to Condensed consolidated statement of changes in equity



EBITDA in 2023 was USD 122 million up 57% on a year-to-year, driven by increased aftermarket services activity output and positively impacted by DLS bonus performance payout. Net cash flow from operating activities was positive USD 31 million compared to USD 9.7 million in 2022. The positive development is driven by milestone collections and past due reduction. The aftermarket segment of HMH exhibits very steady working capital performance.

The Group has total borrowings of USD 340.6 million as of December 31, 2023. Part of the consideration paid to Akastor and Baker Hughes, in relation to the creation of the joint venture, was the shareholder loans received from Akastor and Baker Hughes. The total amount of the shareholder loans as of December 31, 2023, is USD 119.6 million (USD 100 million as principal, and USD 19.6 million is capitalized interest compared to USD 100 million as principal and USD 10.3 million as capitalized interest as of year-end 2022) and will not be settled prior to external debt. Earliest maturity date is set to October 1, 2025. However, the shareholder loan will not be settled prior to all external debt is paid. USD 20 million of the principal relates to Akastor and remaining USD 80 million is a loan from Baker Hughes to HMH.

Initially HMH were financed with a listed bond of USD 150 million, a term loan of USD 70 million which were paid down each quarter and a flexible revolving credit facility of USD 80 million. In November 2023, HMH Holding B.V. replaced its existing USD 150 million senior secured callable bond (ISIN: NO0012428996) with a new USD 200 million senior secured callable bond. The net proceeds from the bond issue were used to refinance the existing bond loan, pay down remaining of term loan and existing revolving credit facility. The Bond pays a fixed coupon of 9.875%, and the maturity date is 16 November 2026. The new bond will be listed on the Oslo Stock exchange in 2024. Additionally, HMH established a USD 50 million Multi currency Revolving Credit Facility. Since HMH at year end do not have a listed bond, HMH will not be considered to be an EU PIE company. When the new bond is listed HMH will again become an EU PIE company.

See note 4.8 – Borrowings of the consolidated financial statements for further details related to the Group's interest-bearing loans and borrowings.



Significant risks and uncertainties

HMH is exposed to various forms of market, operational and financial risks that may affect its operational performance, influence its ability to meet strategic goals, and impact the Group's reputation. To manage and mitigate risks within HMH, risk evaluation and assessment are an integral part of all business activities. On the Group level, the Management constantly considers and determines whether the infrastructure, resource, and systems currently in place throughout the Group are adequate to maintain a satisfactory level of risk. Financial instruments are only used to mitigate risks and is not used for trading and/or speculation purposes.

The Group's operations may be negatively affected by several factors, many of which are outside the Group's control. The Risk appetite column below represents the level of risk that management of the Group is willing to accept while pursuing its objectives before any action is determined to be necessary in order to reduce the risk. These risks include:

Risk area	Risk	Risk description	Risk appetite	Measures to mitigate risk
Strategic	Highly competitive industry	Failure of the Group to compete effectively and be awarded contracts through the successful management of its product and services strategy, development of improved and new technological solutions, maintenance of customer relationships and other factors could adversely affect the Group's competitiveness and profitability.	High	<ul style="list-style-type: none"> Explore and develop other market and products. Access to sufficient funds to take new investment opportunities. Taken various initiatives in relation to digitization and standardization. Delivering premium products to maintain the Group reputation of quality and low failure rates
	Third-party suppliers	The Group is dependent on third-party equipment, materials and components, and timely delivery of important materials and components is essential to the business of the Group.	Medium	<ul style="list-style-type: none"> HMH has strategic partnerships to ensure an efficient and effective global supply chain. Maintains a stock of critical components, if necessary



Operational	Retain, attract, and hire highly skilled personnel.	The Group's success depends, in part, on its ability to retain, attract and hire highly skilled personnel. If the Group is unable to retain, attract or hire highly skilled personnel, its ability to compete may be diminished.	Medium	<ul style="list-style-type: none"> • Maintain good reputation and ESG philosophy to attract and retain employees. • Retention programs for key personnel (e.g., share based compensation) • HMH offers competitive compensation packages. • Engages in cooperation programs with universities.
	Operations in developing countries	The Group's operations in such developing or newly industrialized countries expose the Group to additional risks created by political unrest and related factors.	High	<ul style="list-style-type: none"> • HMH conducts risk assessments before any new country entry and actively engages with its clients to monitor and mitigate the respective country-related regulatory, commercial, and technical risk
	Health and safety risk	Failure to maintain adequate safety standards could have a material adverse effect on the reputation, business, operations, and the financial condition of the Group.	Low	<ul style="list-style-type: none"> • HMH aims to reduce major accident hazard exposure through application of a safety framework to manage risk
	Information technology, cyber threat, data protection	Unauthorized access to our IT network and insider threats, where staff are exploiting confidential information, are seen as a significant risk.	Medium	<ul style="list-style-type: none"> • Monthly security patches, active monitoring against suspicious activities. • Mandatory training of personnel to increase awareness of cyber threat
	Oil and Gas Demand and Price variations.	The Group is particularly sensitive to fluctuations in prices for oil and gas in response to changes in the supply of and demand for oil and gas, market uncertainty, and a variety of other political and economic factors.	Medium	<ul style="list-style-type: none"> • HMH performs close monitoring of oil price fluctuations and perform analysis of the impact of oil price variations to the market and economic factors.



Financial and reporting	Currency risk	Fluctuations in exchange rates may have a material adverse impact on the results of operations and financial condition of the Group.	Medium	<ul style="list-style-type: none"> • HMH perform hedge of cashflow related to projects where currency risk exposure is assessed high, using forward contracts. • Pursuant to the policy, variation orders must be hedged as soon as received and recognized in the project.
	Interest rate risk	Interest rate fluctuations could have a material adverse impact on the operations and the financial condition of the Group.	Low	<ul style="list-style-type: none"> • HMH's policy is currently not to hedge floating interest rate; however, the interest rate exposure will be monitored, and the intention is to adjust the policy if required.
	Credit risk	Credit risk is the risk of financial losses to the Group if customer or counterparty to financial investments/instruments fails to meet contractual obligations and arise principally from investment securities and receivables.	Low	<ul style="list-style-type: none"> • Assessment of credit risk related to customers and subcontractors is an important requirement in the bid phase and throughout the contract period. Such assessments are based on credit ratings, income statement and balance sheet reviews and using credit assessment tools available (e.g., Dun & Bradstreet and Credit Watch) • Derivatives are only traded against approved banks. All approved banks have investment grade ratings.
	Liquidity risk	Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities.	Low	<ul style="list-style-type: none"> • HMH Treasury maintains flexibility in funding by maintaining availability under committed credit lines. • HMH policy for the purpose of optimizing availability and flexibility of cash within the



				<p>group is to operate a centrally managed cash pooling arrangement.</p> <ul style="list-style-type: none"> Management monitors rolling weekly and monthly forecasts of the group's liquidity reserve on the basis of expected cash flow
Compliance	Changes in environmental and regulatory requirements	Changes in environmental and regulatory requirements could adversely affect the level of exploration by oil and gas companies and, therefore, demand for the Group's services and products.	Medium	<ul style="list-style-type: none"> HMH takes great care to carry out its activities in compliance with laws and regulations. The close monitoring of laws and regulations is carried out continuously and substantive changes are escalated quickly. By means of HMH's Code of Conduct, all employees are aware of and must always act in compliance with all laws, regulations, policies, and procedures
	Claims and litigation	Any claims against the Group could harm the Group's reputation and could result in professional liability, product liability, criminal liability, warranty obligations and other liabilities that, to the extent the Group is not adequately insured, or cannot insure, against a loss or the insurer fails to provide coverage, could have a material adverse effect on the business.	Low	<ul style="list-style-type: none"> HMH ensures that is adequately insured against any claims. HMH aims to reduce major accident hazard exposure through application of a safety framework to manage risk
	Insurance coverage	An uninsured loss, a loss that exceeds the limits of the insurance policies of the Group or a succession of such losses could have a material adverse	Low	<ul style="list-style-type: none"> HMH ensures that it is adequately insured against any claims. HMH aims to reduce major accident hazard exposure



		effect on the business, results of operations and financial condition of the Group.		through application of a safety framework to manage risk
	Tax	Changes in direct or indirect tax laws, tax practices or compliance requirements, the practical interpretation and administration thereof, including in respect to market practices, or otherwise, in any jurisdiction in which the Group operates could have a material adverse effect on the business.	Low	<ul style="list-style-type: none"> • Make use of external tax advisors for complicated subjects • Close monitoring of changes in tax law and substantive changes are escalated. • Develop good relations with tax authorities based on mutual respect, transparency, and trust

The Group operates in a highly competitive industry

The oil service industry is highly competitive and subject to swings in pricing power. A failure of the Group to compete effectively and be awarded contracts through the successful management of its product and services strategy, development of improved and new technological solutions, maintenance of customer relationships and other factors could adversely affect the Group's competitiveness and profitability and, therefore, could have a material adverse effect on the business, results of operations and financial condition of the Group. Operational risks are, among other things, related to the extent to which the companies are able to adjust their activity to changing market conditions as well as their ability to be awarded contracts and execute on complex projects and operations within acceptable time and cost boundaries. The Group's market positions and revenues could be affected if the Group is unable to compete efficiently. In the Groups main market segment, which is to support existing drilling rigs, we see a highly competitive situation. Due to the overcapacity of available drilling rigs in the industry our primary customers, the rig owners, have limited pricing power. This in turn leads to a situation where the rig owners are focused on their operational costs. For the Group this results in reduced maintenance and upgrade contracts on which to bid, and therefore the Group must be price competitive to secure work.

The Group is dependent on services from third parties and supply of materials to complete contracts

The Group is dependent on third-party equipment, materials and components, and the timely delivery of important materials and components are essential to the business of the Group. Constraints in the supply chain may result in products or services of the Group being disrupted or delayed, which could have a material adverse effect on the business, operations, and the financial condition of the Group.



If a sub-contractor, supplier, or manufacturer fails to provide services, supplies or equipment for any reason, the Group may be required to procure these services from other third parties on a delayed basis or at a higher price than anticipated, which could adversely affect profitability.

During periods of wide-spread economic slowdown, third parties may find it difficult to obtain sufficient financing to fund their operations. The inability to obtain financing could adversely affect a third party's ability to provide materials, equipment, or services, which could have a material adverse effect on the business, operations, and the financial condition of the Group.

Retain, attract, and hire highly skilled personnel

The Group's business is dependent on the technical competence of its employees and proprietary technological solutions developed by the Group. The demand for improved technology is constantly increasing and if the Group is unable to deliver commercially competitive services, or, fails to attract employees with the requisite level of technological competence, this could have a material adverse effect on the Group's business, prospects, financial position, and operating results.

The Groups primary customer base, the drilling rig owners, gain their limited pricing power from efficiency, safety, and environmental footprint KPI's (Key Performance Indicator). Technology is an important element to improve and maintain a customer's efficiency, safety, and environmental footprint KPI's. As a Group we are dependent on having the technology, solutions, and people to support our customers in reaching their KPI's. The ability to do so affects the Groups pricing power and its ability to secure contracts.

Operations in developing countries

The Group faces heightened risks in its operations in developing or newly industrialized countries (e.g., Senegal, Brazil, Azerbaijan). Operating in such environments, with less predictable political, socioeconomic, and legal systems, poses uncertainties that could adversely impact business, operations, and financial conditions, affecting the value of investments. The Group has, and the Group will continue to have, a strategy to continue and expand operations in many developing or newly industrialized countries.

Further, certain countries in which the Group operates, or intends to operate, impose local requirements, such as but not limited to, unpredictable tax regimes, customs regulations, environmental demands, requirements related to local physical presence and resources, which could make it difficult for the Group to compete in such countries and increase the risk that the Group's business standards and policies as well as the Group's quality standards are not fully compliant with local laws and regulations, and which in turn could have a material adverse effect on the business, operations and the financial condition of the Group.



Moreover, certain developing or newly industrialized countries have a higher incidence of anti-corruption and bribery violations present additional challenges. The Group actively addresses these risks through regular fraud risk assessments, implementing robust Codes of Conduct, a Compliance and Ombuds program, whistleblowing procedures, open reporting, and third-party due diligence (KYC) protocol. No corruption, bribery, or fraud incidents were reported in 2023.

Health and safety risk

The Group is exposed to certain health and safety risk, including compliance with a broad range of health and safety laws and regulations. Construction and maintenance sites are inherently dangerous workplaces, and failure by the Group to maintain safe work sites could have a material adverse effect on its business, reputation, operations and the financial condition of the Group. The Group is subject to a broad range of health and safety laws and regulations in each of the jurisdictions in which it operates, and such laws and regulations impose increasingly stringent health and safety protection standards. The costs of complying with, and the liabilities imposed pursuant to, health and safety laws and regulations could be significant, and failure to comply could result in the assessment of civil and criminal penalties, suspension of permits, temporary or permanent closure of production facilities, or claims or lawsuits by injured employees, sub-contractors or third parties. Failure to maintain adequate safety standards could have a material adverse effect on the reputation, business, operations and the financial condition of the Group.

Information technology, cyber threat, data protection

Unauthorized access to the IT network could pose a significant risk to the Group's information security, potentially revealing sensitive data to unauthorized individuals, competitors, or even nation-state actors. This vulnerability could stem from social engineering tactics or unauthorized entry to engineering and testing areas, both remotely and locally. The potential loss of intellectual property and classified information could undermine the confidentiality, integrity, and availability of company data, making the Group vulnerable to threats from nation-states, cybercriminals, and cyber activists. To combat this, HMM has implemented measures to address cybercrime, hacking threats and social engineering, such as mandatory training and implementing a robust cyber-security program. HMM is in the process of developing new security policies and reviewing a more targeted security awareness tool.

Oil and gas demand and price variations

As a global provider of drilling solutions, engineering, projects, technology, equipment and services for the oil and gas industry, the Group is particularly sensitive to factors such as oil and gas prices, the demand for oil and gas, the level of exploration, development, production, investment, modification, and maintenance activity as well as the corresponding expenditure by oil and gas companies.



Prices for oil and gas have historically been and are expected to remain, subject to fluctuations in response to changes in the supply and demand for oil and gas, market uncertainty and a variety of other political and economic factors. Prolonged reductions in oil and gas prices typically result in decreased levels of exploration, development, production, investment, modification and maintenance activity by oil and gas companies. Any such decrease by oil and gas companies could lead to downward pricing pressure on oil and gas service companies, such as the Group, and, therefore, could adversely affect the Group's activity and profit.

Currency risk

The Group operates globally and is exposed to currency risk on commercial transactions, assets and liabilities and investments in foreign operations. Commercial transactions, assets and liabilities are subject to currency risk when payments are denominated in a currency other than the respective functional currency of the relevant member of the Group. The Group's foreign exchange risk mainly arises from Norway and Germany and revenue denominated in EUR and NOK. The largest investments are also mainly made in EUR, NOK, and USD. The Group's policy is to hedge currency risk exposure in relevant projects using forward contracts. However, there can be no assurance that any hedging policy or strategies adopted by the Group will be sufficiently effective or that the Group will be completely shielded from this risk.

Interest rate risk

The Group faces risks associated with its interest-bearing debt. External borrowings, which at the date of this financial statement amounted to USD 223 million (compared to USD 197 million at year end 2022), excluding fixed rate shareholder loans and accrued interest. The Group's policy is currently not to hedge floating interest rate; however, the interest rate exposure will continue to be closely monitored. There can be no assurance that the Group will be able to hedge its exposure to fluctuations in interest rates or that any future hedging policy will significantly mitigate the adverse effects of interest rate fluctuations on the Group's results of operations and financial condition, and such exposure could have a material adverse effect on the Group's financial condition.

Credit risk

Credit risk is the risk of financial losses to the group if customer or counterparty to financial investments/instruments fails to meet contractual obligations and arise principally from investment securities and receivables.

Delayed payment of significant amounts payable from customers could have a material adverse effect on the liquidity of the Group. Especially in weak economic environments, the Group could experience increased payment delays and failures by customers due to, among other reasons, customers' reduced cash flow from operations or access to the credit markets. If one or more customers fails to pay significant amounts of



outstanding receivables in a timely manner or at all, for any reason, this could have a material adverse effect on the Group's liquidity position as the cash or cash equivalents available to the Group may be reduced and the Group may be required to increasingly rely on its credit facilities for liquidity. This could have a material adverse effect on the business, operations and the financial condition of the Group. Assessment of credit risk related to customers and subcontractors is an important requirement in the bid phase and throughout the contract period. Such assessments are based on credit ratings, income statement and balance sheet reviews and using credit assessment tools available (e.g., Dun & Bradstreet and Credit Watch). Sales to customers are settled in cash. Normal credit terms are 30-90 days.

Revenues are mainly related to large and long-term projects closely followed up in terms of payments up front and in accordance with agreed milestones. Normally, lack of payments is due to disagreements related to project deliveries and is solved together with the customer or escalated to local leadership. Based on expected credit loss in respect of trade receivables and contract assets, the Group establishes a provision for impairment losses. Provisions for loss on debtors are based on individual assessments.

The Group evaluates that significant credit risk concentrations are related to trade receivables from major corporate customers in the oil and gas industry. The maximum exposure to credit risk at the reporting date equals the carrying amounts of financial assets. The Group does not hold collateral as security.

Derivatives are only traded against approved banks. All approved banks have acceptable investment grade ratings. Credit risk related to investment securities and derivatives are therefore considered to be insignificant.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities. The Group manages its liquidity to ensure that it will have sufficient liquidity reserves to meet its liabilities when due.

Prudent liquidity risk management includes maintaining sufficient cash, the availability of funding from an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, HMH Treasury maintains flexibility in funding by maintaining availability under committed credit lines as shown in note 4.3 – Cash and cash equivalents of the consolidated financial statements.



The Group policy for the purpose of optimizing availability and flexibility of cash within the Group is to operate a centrally managed cash pooling arrangement. An important condition for the participants (business units) in such cash pooling arrangements is that the Group as an owner of such pools is financially viable and can prove its capability to service its obligations concerning repayment of any net deposits made by business units. Management monitors rolling weekly and monthly forecasts of the Group's liquidity reserve on the basis of expected cash flow. Lastly, the Group has a liquidity reserve per year-end 2023, composed of a committed credit facility of USD 50 million and cash and cash equivalents. Please refer to note 4.6.

Changes in environmental and regulatory requirements

Changes in environmental and regulatory requirements could adversely affect the level of exploration by oil and gas companies and, therefore, impact demand for the Group's services and products. Because the business of the Group depends on the level of activity in the oil and gas industry, existing or future laws, regulations, treaties or international agreements related to greenhouse gases and climate change, including incentives to conserve energy or use alternative energy sources, this could have a material adverse effect on the business, operations and the financial condition of the Group if such laws, regulations, treaties or international agreements negatively affect global demand for oil and gas.

HMH recognizes the importance of adhering to international regulations and restrictions governing trade, export controls, and economic sanctions, and is dedicated to preventing any involvement in activities that may violate sanctions and trade laws. Our compliance program is designed to ensure that all our business activities, including international trade and transactions, are conducted in full compliance with applicable laws and regulations. We maintain a robust compliance framework that includes regular risk assessments, employee training, due diligence procedures, and ongoing monitoring of sanctions and trade restrictions. Our commitment to compliance extends to our relationships with suppliers, customers, and business partners, and we expect the same level of commitment from them.

The main climate-related risks in the Group concern the Group's current industrial investments since the industry is in a state of accelerated transition to a lower-carbon intensive industry. Unless these risks are met with mitigating measures, the Group could face a scenario where it could lose its market position and/or with the Group's product lines are ultimately obsolete and replaced by more energy efficient/green alternatives. However, this transition to low carbon intensive industry will also create several opportunities, with focus on more efficient drilling equipment which will generate a more climate friendly operation.



Claims and litigation could have a material adverse effect on the business, results of operations and financial condition of the Group

Given the nature of the products and services that the Group provides, the business in which the Group operates, and where an accident can potentially have significant consequences (for example in connection with deepwater operations), the Group is exposed to the risk of claims, legal proceedings and disputes from authorities, customers and other third parties, including claims in relation to personal injury, environmental issues, intellectual property rights, tax matters, fines and penalties, labor or employment matters, privacy and personal data, data security issues, competition, anti-trust issues, anti-money laundering and sanctions. Any claims against the Group could harm the Group's reputation and could result in professional liability, product liability, criminal liability, warranty obligations and other liabilities that, if the Group were not adequately insured, or cannot insure, against a loss or the insurer fails to provide coverage, could have a material adverse effect on the business, operations and the financial condition of the Group.

Insurance coverage

Given the nature of the products and services that the Group provides, the business in which the Group operates, and where an accident can potentially have significant consequences (for example in connection with deepwater operations) the Group is exposed to a number of risks, including but not limited to, industrial accidents, the controlled use of potentially harmful and hazardous materials during production, the provision of services and the installation of products. The Group maintains a portfolio of insurance policies to protect its core businesses against loss of property, business interruption, injury to personnel and/or liability to third parties for such losses as per industry standards. Risks insured generally include loss or damage to physical assets (buildings, plant, equipment, and work in progress) and business interruption resulting therefrom, bodily injury to and death of employees, and third-party liabilities. Certain types of losses are generally not insured by the Group because they are either uninsurable or not economically insurable, such as losses caused as a result of inability to deliver on time or at the right quality, or losses occasioned by willful misconduct, criminal acts, fines and penalties, and various perils associated with war and terrorism. The insurance policies of the Group may not be sufficient to adequately ensure the Group from a claim that exceeds its policy limits or under every circumstance or against every hazard to which it could be subject. An uninsured loss, a loss that exceeds the limits of the insurance policies of the Group or a succession of such losses could have a material adverse effect on the business, operations and the financial condition of the Group.



Tax

The operations of the Group are carried out in countries across the world, and, therefore, the Group's tax filings are subject to the jurisdiction of a significant number of tax authorities and tax regimes as well as to cross-border tax treaties between governments. Further, the nature of the operations of the Group means that the Group routinely must deal with complex tax issues (such as transfer pricing, permanent establishment, or similar issues) as well as competing and developing tax systems where tax treaties may not exist or where the legislative framework is unclear and/or subject to change or interpretation without pre-warning or transitional regulations. Moreover, where project work is partly undertaken in the jurisdiction in which the project deliverables are delivered to the customer and partly in other jurisdictions (which is the case for many of the projects of the Group), there may be uncertainties, and risks, as to whether and to what extent income from that project is taxable in the jurisdiction in which the project deliverables are delivered to the customer, which could subject the Group to the risk of double taxation, unexpected tax liabilities and/or penalties. In addition, the global operations of the Group are taxed on bases that vary from country to country, including net profit, deemed net profit (generally based on turnover) and revenue based withholding taxes based on turnover.

Changes in direct or indirect tax laws, tax practices or compliance requirements, the practical interpretation and administration thereof, including in respect to market practices, or otherwise, in any jurisdiction in which the Group operates could have a material adverse effect on the business, operations and the financial condition of the Group.

The OECD has advanced reforms focused on global profit allocation and implementing a global minimum tax rate of at least 15% for large multinational corporations on a jurisdiction-by-jurisdiction basis, known as "Pillar Two." On October 8, 2021, the OECD announced an accord endorsing and providing an implementation plan for Pillar Two agreed upon by 136 nations. On December 15, 2022, the European Council formally adopted a European Union directive on the implementation of the plan by January 1, 2024. This is not expected to materially increase the taxes we owe; however, if future legislation is enacted to implement the accord in some or all the jurisdictions in which we have operations, it could increase the amount of taxes we owe, thereby negatively affecting our results of operations and our cash flows from operations.



Environmental and personnel-related information

Human Rights and Labor Rights

HMH respects internationally proclaimed human and labor rights and supports international human rights conventions such as the UN Declaration and Convention on Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises. HMH acknowledges all employees' right to form and join trade unions of their own choice and aim to include and involve employees and their unions in decision-making in accordance with applicable laws. HMH does not tolerate harassment in any form by or towards employees, and strictly forbids retaliation against an HMH employee who raises a claim or concern. HMH employees shall expect a workplace free from harassment and discrimination on the basis of age, gender, sexual orientation, disability, race, nationality, political opinions, religion or ethnic background, or any other basis or protected class prohibited by law. HMH will not employ, use, or enter into contract with those who employ or use child or forced labor and will not tolerate working conditions or treatment that is in conflict with international laws and practices. HMH shall ensure that the Group, through its operations, does not cause or become complicit in any violation of human rights. HMH shall address and minimize risks of human rights infringements in the supply chain, in the projects where we contribute, and all other parts of our operations.

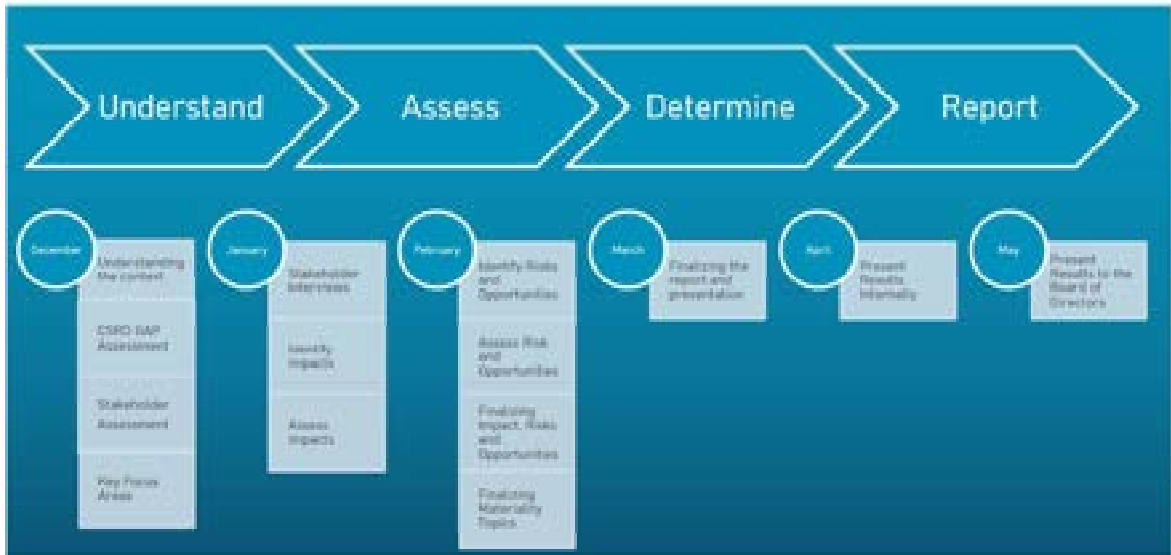
Metrics and Targets

HMH, in alignment with its shareholders, has established comprehensive guidelines, strategies, and requirements to address Environmental, Social, and Governance (ESG) considerations. The ESG agenda encompasses proactive measures to prepare for upcoming CSRD requirements and to define and implement relevant metrics and targets. HMH is committed to a clear plan and ambitious goals aimed at achieving climate neutrality and reducing CO2 emissions. As part of its CSRD readiness plan, HMH is engaged in a range of activities, including conducting a gap analysis with external advisors, developing a transition plan aligned with the targets in the ESG strategy, and performing a double-materiality assessment, as well as a bottom-up task force on climate-related financial disclosure risk and opportunity assess.



Timeline

Double Materiality Assessment



These assessments will provide HMH more insight which will become a solid basis to ensure that future initiatives and engagements will have a positive impact and support HMH goals and ambitions related to ESG.

EU taxonomy

The EU taxonomy is a classification system that sets requirements for companies' disclosures of the sustainability of their economic activities. It forms part of the EU's plan to scale up sustainable investment, avoid greenwashing and implement the European Green Deal. The EU Taxonomy Regulation (Regulation 2020/852) was first implemented on 12. July 2020. Since then, the taxonomy framework has been expanded with the inclusion of Delegated Acts. The Climate Delegated Act, the Complementary Climate Delegated Act, and the Environmental Delegated Act set out a list of eligible activities along with technical screening criteria for when the activities can be considered sustainable.



It includes six environmental objectives:

- Climate change mitigation
- Climate change adaptation
- Sustainable use and protection of water and marine resources
- Transition to a circular economy
- Pollution prevention and control
- Protection and restoration of biodiversity and ecosystems

The EU Taxonomy will facilitate sustainable investments. It defines activities that are considered to contribute to the achievement of climate and environmental objectives, known as eligible activities, and establishes criteria for these activities to be considered sustainable, which makes them aligned. By disclosing of the share of turnover, capital expenditures (CapEx) and operating expenses (OpEx) that are related to sustainable activities, companies and its stakeholders can assess the sustainability of the economic activities.

The EU Taxonomy assessment of the economic activities have been performed in accordance with the structure of the EU Taxonomy, starting with eligibility assessments of each activity before assessing compliance with the criteria for substantial contribution and do no significant harm (DNSH). The assessment of minimum social safeguards has been performed at Group level, based on policies and procedures applicable to HMH Holding B.V.

The EU taxonomy is structured as a process that must be followed to classify whether an economic activity is sustainable or not. The first step is to assess eligibility, i.e., whether HMH's economic activities are described in the EU Taxonomy. HMH's business operations are mainly to offer products and services related to oil extraction and the mining industry. Such activities are not described in the EU Taxonomy and are therefore not eligible. HMH offers spare parts as part of the aftermarket services for installed rig products. HMH has assessed this economic activity as well as other economic activities across the company and has concluded that no economic activities are considered to be eligible for 2023.

For an economic activity to be aligned, the activity must substantially contribute to one of the six environmental objectives, do no significant harm to the remaining five objectives. The criteria are unique to each activity. For 2023 HMH has concluded that none of the economic activities are considered aligned to the EU Taxonomy.



The EU Taxonomy outlines minimum safeguards for social and governance conditions, that shall be assessed to ensure compliance to international standards and guidelines, such as:

- The OECD Guidelines for Multinational Enterprises (OECD Guidelines for MNE);
- The UN Guiding Principles on Business and Human Rights (UNGPs);
- The principles and rights set out in eight of the ten fundamental conventions identified in the International Labour Organization (ILO) Declaration of the on Fundamental Principles and Rights at Work; and
- The International Bill of Human Rights

The minimum safeguards outline social and governance criteria to guarantee that activities beneficial to the environment do not adversely affect broader goals. Factors of significance considered when considering these minimum safeguards include human rights, including labour rights, tax, bribery and corruption, and fair business practices. HMH's disclosures of policies, such as the code of conduct and the Transparency Act report, includes policies on internationally recognized human rights, and OECD Guidelines for MNE.

In the Transparency Act report, Due Diligence on Responsible Business Conduct Principles shall be performed in accordance with the OECD Guidelines for MNE on a yearly basis. To ensure the process is carried out as stated, HMH's policies are easily available to employees and stakeholders on hnhw.com. In addition, employees receive annual training on relevant topics like HMH Code of Conduct, Human & Labour Rights, and Equality, Diversity & Inclusion.

HMH's assessment is that the Code of Conduct, Transparency Act report, and HMH's policies align with the standards set by the minimum safeguards and that sufficient human rights due diligence procedures are implemented as specified in the UNGPs and OECD Guidelines for MNEs. Consequently, HMH has concluded that HMH fulfils the minimum safeguards criteria. For more information, please refer to our Code of Conduct and HMH's disclosure under the Norwegian Transparency Act available on our website, hnhw.com.

Calculation of KPIs

The financial KPIs are calculated for each of the economic activity and are divided into three categories; taxonomy aligned (A.1), taxonomy eligible but not aligned (A.2), and taxonomy non-eligible activities (B). By dividing the calculations into these three groups, it shows how much of the HMH's turnover, CapEx and OpEx are classified as sustainable.



The KPIs are calculated the following way:

Turnover

The numerator of the Turnover KPI includes net revenues from products and services, including intangible assets, that are related to eligible and aligned activities. The denominator includes all revenue in HMH recognized according to IFRS 15 revenues from Contracts with Customers and IFRS 16 Leases. See note 2.1 in the consolidated financial statements for further information.

$$\frac{\text{Numerator \$}}{\text{Denominator \$}} = \frac{\text{Eligible and Aligned Activities}}{\text{IFRS 15}} = \% \text{ Sustainable Turnover}$$

HMH has no turnover in 2023 that meets the definition of the KPI and that are related to eligible and aligned activities.

CapEx

The numerator in the calculations includes the sum of eligible and aligned CapEx additions in 2023. The denominator includes all additions during 2023 of property, plant, and equipment (see note 3.1 in the consolidated financial statements), all additions of intangible assets (see note 3.3 in the consolidated financial statements) and all additions of right-of-use assets that are recognized according to IFRS 16 Leases (see note 3.2 in the consolidated financial statements).

$$\frac{\text{Numerator \$}}{\text{Denominator \$}} = \frac{\text{Eligible and Aligned CapEx Activities}}{\text{IFRS 16 \& IAS 16 \& IAS 38}} = \% \text{ Sustainable CapEx}$$

HMH has no Capex in 2023 that meets the definition of the KPI and that are related to eligible and aligned activities.

OpEx

For HMH, the denominator for calculating opex includes direct non-capitalized costs related to research and development, short-term leases, maintenance and repair, and other direct expenses related to the company's daily servicing of assets that are not capitalized. These expenses are part of the financial statement line item 'Other operating expenses', see note 2.6 in the consolidated financial statements for more details.

$$\frac{\text{Numerator \$}}{\text{Denominator \$}} = \frac{\text{Eligible and Aligned OpEx Activities}}{\text{Direct non - capitalised costs}} = \% \text{ Sustainable OpEx}$$

The denominator for 2023 is calculated to be 3.3M for 2023. HMH had no material opex during 2023 that meets the definition of the KPI and that are related to eligible activities.



Most of HMH’s activities are within the oil business and are not described in the EU Taxonomy. Thus, these activities are excluded from the scope of the EU Taxonomy disclosures. Below are the templates from the EU Commission that show the proportion of eligible and aligned turnover, CapEx and OpEx for HMH for 2023.

TURNOVER:

Financial year 2023	2023			Substantial Contribution Criteria						DNSH criteria ("Does Not Significantly Harm") (h)						Minimum Safeguards (i)(j)			
Economic Activities (1)	Code (2)	Turnover (3)	Proportion of Turnover, year N (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.)	Category	Category
																	turnover, year N-1 (18)	enabling	transitional
																		activity (19)	activity (20)
		1000 USD	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Activity 1																Y	%		
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%													Y	0%		
Of which Enabling		0	0%													Y	0%	E	
Of which Transitional		0	0%													Y	0%		T
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Activity 1				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0	0%														%		
A. Turnover of Taxonomy eligible activities (A.1+A.2)		0	0%														0%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		783,020	100%																
TOTAL		783,020	100%																



CAPEX:

Financial year (2023)	2023			Subsidiary Distribution Entities						2023 entities (Please Refer Significance Panel (B))						at least (2023) (1)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) CapEx, prior to 1 (2023)	Category enabling activity (2023)	Category transitional activity (2023)
Economic Activities (1)	Code (2)	CapEx (3)	Proportion of CapEx, prior to 1 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	at least (2023) (1)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) CapEx, prior to 1 (2023)	Category enabling activity (2023)	Category transitional activity (2023)
		10000000	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0	0
B. TAXONOMY ELIGIBLE ACTIVITIES																			
B.1. Environmentally sustainable activities (Taxonomy aligned)																			
Activity 1			0%													0	0%		
CapEx of environmentally sustainable activities (Taxonomy aligned) (A.1.)		0	0%													0	0%		
Of which enabling		0	0%													0	0%	0	
Of which transitional		0	0%													0	0%		0
B.2. Taxonomy eligible but not environmentally sustainable activities (not Taxonomy aligned activities)																			
Activity 1			0%														0%		
CapEx of Taxonomy eligible but not environmentally sustainable activities (not Taxonomy aligned activities) (A.2.)		0	0%														0%		
A. CapEx of Taxonomy eligible activities (A.1.+A.2.)		0	0%														0%		
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy non-eligible activities		14 374	100%																
TOTAL		14 374	100%																

OPEX:

Financial year (2023)	2023			Subsidiary Distribution Entities						2023 entities (Please Refer Significance Panel (B))						at least (2023) (1)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) OpEx, prior to 1 (2023)	Category enabling activity (2023)	Category transitional activity (2023)
Economic Activities (1)	Code (2)	OpEx (3)	Proportion of OpEx, prior to 1 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	at least (2023) (1)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) OpEx, prior to 1 (2023)	Category enabling activity (2023)	Category transitional activity (2023)
		100000000	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0	0
B. TAXONOMY ELIGIBLE ACTIVITIES																			
B.1. Environmentally sustainable activities (Taxonomy aligned)																			
Activity 1			0%													0	0%		
OpEx of environmentally sustainable activities (Taxonomy aligned) (A.1.)		0	0%													0	0%		
Of which enabling		0	0%													0	0%	0	
Of which transitional		0	0%													0	0%		0
B.2. Taxonomy eligible but not environmentally sustainable activities (not Taxonomy aligned activities)																			
Activity 1			0%														0%		
OpEx of Taxonomy eligible but not environmentally sustainable activities (not Taxonomy aligned activities) (A.2.)		0	0%														0%		
A. OpEx of Taxonomy eligible activities (A.1.+A.2.)		0	0%														0%		
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy non-eligible activities		0 000	100%																
TOTAL		0 000	100%																



Template 1: Nuclear and fossil gas related activities*:

Nuclear energy related activities		
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
Fossil gas related activities		
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

*Applicable for all three financial KPI's

Supply Chain

In assessing the risk of human rights violations within the HMH value chain, its global supply chain is considered the most vulnerable to violations of human rights. To qualify for the vendor shortlist, suppliers must complete a questionnaire regarding Health, Safety and Environment (HSE), quality, integrity, and human rights; sign and agree to the supplier declaration; and pass a due-diligence screening. The supplier declaration outlines key requirements concerning ethical conduct, respect for the environment and human rights, and compliance with HSE requirements, and must be signed by all suppliers. The supplier selection criteria also mandate quality, on-time delivery, fulfilling customer requirements, appropriate competition, and equal treatment of suppliers.



To monitor the suppliers' performance, HMH has implemented the supplier management system, LeanLinking. This system is used globally, and the organization's adherence to the system is confirmed in HMH's ISO 9001 audits. In order to mitigate this risk, HMH continually monitor its suppliers, and if any supplier does not meet the requirements and reasonable discussions to address concerns were unsuccessful, its agreement is terminated, and the supplier is removed from the HMH approved vendor list.

Environment

HMH is committed to continually reducing its impact on the environment. The Group designs products and services which reduce undesirable environmental effects and ensure the safe and efficient utilization of energy and natural resources. HMH's operations are carried out with efficient use of materials and energy, and with a focus on minimizing waste and damage to the environment. The Group strives to ensure that products can be recycled or safely disposed.

Environmental Management Systems

HMH is committed to operating with transparency, integrity, and accountability, and has also been ISO 14001:2015 certified. The Group demonstrates its commitment to ESG by delivering industry-leading solutions designed to increase efficiency and reduce carbon footprint in drilling operations, promoting a diversified workforce and basic human rights and being an accountable business partner. The Group is now focused on maintaining the certifications through continuous improvement of our supporting HSSE processes and procedures, consultation with our employees, compliance with local HSSE legislations, annual Process Review, and internal and external audits. These certifications assist us in meeting our ESG strategy and commitments.

“Greener” Business Opportunities

HMH will also seek to pursue opportunities within the renewable sector and further expand its offering to non-oil markets. It is expected that the Group's broader scope of services will provide a more solid foundation for participating in the oil and gas industry's transition towards more energy efficient solutions, and this will form a key area in the strategy of the Group.

As part of its commitment to reduce our customer's environmental footprints, HMH has developed several solutions designed to reduce fuel consumption and emissions on offshore drilling rigs. These includes software designed to monitor, control, and reduce power consumption, as well as physical equipment utilizing hybrid technology and energy storage systems to reduce fuel usage. Additionally, HMH provides software and smart technology solutions that increase efficiency and performance, by requiring less personnel onboard.



HMH has identified several business opportunities in the growing subsea mineral mining industry which are partly based on knowledge gained through delivery of equipment and systems to subsea diamond mining vessels. Global demand for minerals such as nickel has risen dramatically due to use in electric vehicle (EV) batteries and other components supporting this shift towards renewables. Industry experts have therefore predicted that subsea mineral mining will be necessary to meet the demand for these minerals to enable a transition from fossil fuels to renewable energy.

CO₂ Reductions

A top strategic priority for HMH Group involves supporting its customers with technology to improve their operational efficiency. In practice, this means drilling wells faster, resulting in a reduction in CO₂ emissions proportional to the time saved. HMH is also focused on reducing fuel consumption through efficient machines and collaboration with partners for optimized hybrid solutions (generators, batteries, etc.) that have a significant effect on CO₂ emissions. Additionally, HMH is increasingly utilizing technology to support customers remotely, resulting in less travel emissions. HMH is focused on providing customers with technology and automated solutions designed in part to reduce Personnel On Board (POB) rigs, which also reduces CO₂ emissions.



Research and development information

Current R&D activities are spread across Norway, Germany, and the United States. The focus of R&D activities involves optimizing existing products and exploring new opportunities which complement our business model. The accounting treatment for research and development expenditures is described in note 1.2 – Material accounting policies of the consolidated financial statements.

Within the PCS business, HMH is committed to making those necessary investments to improve the capabilities of existing core products and to create new product offerings to fuel organic growth.

In 2023, a key core product capability project was introducing the WCSR-X shearing product. Building on the success of the current WCSR (wireline casing shear ram) for our 18-inch 15kpsi ram blow out preventer, the HMH team has refined the design to create the WCSR-X shear rams, which provides the ability to shear larger diameter casing, up to and including 18". HMH also demonstrated that WCSR-X rams can shear with up to thirty percent less force than the previous WCSR design.

In addition to the WCSR-X the PCS group has three major R&D projects that continued execution in 2023:

- Develop a rotating control device (RCD) along with associated equipment to enable a riserless drilling implantation. This will be a “first of its kind” deployment that was enabled by our acquisition of some key technology through our purchase of ESD.
- Design and construct a testbed for the development of electrical BOP (E-BOP) actuators, motors and controllers for use offshore surface (platforms, jackups), subsea and also land applications. Like the RCD, the key technology drivers were acquired through our purchase of ESD. This testbed is also being used to bring potential operator partners together to fund the full design/qualification effort.
- Develop a novel solution to reduce the number of accumulator bottles required to meet new regulatory requirements in the Gulf of Mexico.

New R&D efforts for 2024 and beyond include developing next generation elastomers for oilfield sealing applications, including outside our current space, in cooperation with a major operator. The RCD and E-BOP development efforts will continue, and we expect a significant portion of funding to come from operator partners.

ESS Business current R&D activities focus on optimizing existing products and services to meet customers expectation towards optimizing assets in operation. Improve efficiency, reduce emissions, reduce cost, and improve customers competitiveness/uniqueness reflect our R&D efforts. A key element in this work is focus on digitalization by developing digital- and automation solutions.



PCS business and ESS business have in the past years built a strong portfolio of automation and digital solutions that can be integrated on operating rigs in the global market. The R&D portfolio spreads around various key digital and automated solutions with various levels of technical readiness. The results from the Group's R&D work have made a large set of digital and automation products and solutions market ready and released as commercially available products and services.

As we experience strong demand for our non-oil related portfolio, a part of our R&D efforts has focused to improve and further develop existing products such as slurry pumps portfolio, equipment and systems for seabed mining and large PBAs. Additional work has been made to exploring new opportunities in adjoining industries where we see a good fit with HMH competency and its core "DNA". This work has resulted in key priorities and market leads in 2023 that we will continue to explore in 2024.

ESS and PCS will focus its development efforts on the coming years into "game-changing" technologies as open water drilling and electric BOP. These developments will be done in close cooperation with leading oil companies.

Capital management

The majority of the Group's capital consists of its net equity, long-term bonds, current and non-current loans, committed credit facilities and borrowings. Management monitors and assesses the capital requirements for the Group and ensures that enough funding is available to meet the working capital requirements and also for the future business development. To raise funding, the Group considers a wide range of financing options including committed credit facilities, bond issuances and equity contributions.

HMH Holding B.V., the parent company of the Group, must comply with certain financial covenants under its Facility Agreement and bond terms, details of which are given in note 4.6. The Group's current funding requirements have been met from operations and from the existing debt instruments.

The Group's Capital Management Policy is to maintain a strong capital base to improve and maintain the confidence of investors, creditors, and the market. In addition, the Group is focusing on establishing a future strong capital base that will make the Group able to organically and transactionally grow the HMH footprint. The Group has a strong focus on EBITDA and monitors the development closely through regular status meetings and reviews.



Non-financial Statement

Considering the current business model of the Group, management does not have specific non-financial information policy as all relevant understanding over the Group, development of the business, the results, the position of the entity and the effects of its activities on the society are covered via separate policies. Management refers to the relevant section of this report. The Group's management has in place the anti-bribery policy, policies in respect of environment, social and personnel affairs (referring to section Environmental and personnel-related information in the Management Report), respect for human rights and know your customer policies. The main risks with respect to those matters discussed under the Significant risks and uncertainties section of this report. For the discussion over the EU taxonomy, please refer to the relevant section as well. No non-financial KPIs that are relevant for the business activities of the Group was set.

Other information

Non-GAAP measures

The financial information in this report includes measures, which are not defined by generally accepted accounting principles (GAAP) such as IFRS. We believe this information, along with comparable GAAP measurements, may give insight to stakeholders because it provides a basis for evaluating our operational performance. Non-GAAP financial measures should not be considered in isolation from, or as a substitute for, financial information presented in compliance with GAAP. Wherever appropriate and practical, we provide reconciliations to relevant GAAP measures.

Term	Definition
EBITDA	Is equal to operating earnings plus depreciation, amortization and impairment.



Corporate governance

Corporate Governance Statement

The Group has high standards of corporate governance, ensuring responsible and transparent leadership and management that are geared to ensure full compliance and set the basis for a sustainable long-term performance and growth. Corporate governance puts the focus not only on business risks and the Group's reputation, but also on corporate social responsibility towards all our stakeholders. As a responsible corporate citizen, we recognize the significance of effective corporate governance. We show respect for society and the environment, communicate in an open and transparent manner, and act in accordance with legal, corporate, and ethical guidelines.

In 2022, HMH was classified as a Public Interest Entity (EU PIE) due to the listing of a bond. The listed bond was fully repaid in November 2023. As of the year-end, HMH does not hold any listed securities. There are no other factors that would classify HMH as a public interest entity, and therefore, HMH is not considered to be an EU PIE company.

Based on article 2 of the EC directive 2006/43/EC Implementation Decree of 26 July 2008 (the "Decree") concerning audit of annual accounts, the Company must comply with part of the Decree Management Report. HMH complies with Decree Management report requirements applicable for an entity with listed financial instrument (Section 2a (1) Corporate Governance Statement, Section 2a (3) having the Corporate Governance Statement as part of the Management Report, Section 3a(a) the main features of the management and control systems of the Group, Section 3a(d) Diversity of Board of Directors and section 3d number of men and women in the Board of Directors). The Directors have confirmed that the Company is in compliance with all mentioned articles and no issues have been noted during the reporting period.

The regulations of the Norwegian stock exchange (Oslo Rule Book II) require that an issuer must make public annual reports in accordance with Section 5 of the Securities Trading Act ("STA") and related regulations. As per the Norwegian STA, issuers with their home state in the European Economic Area must comply with their home state's legislation related to periodic disclosure requirements.



Group Governance Structure

The Company has per year end 2023 a Board of Directors comprising of Chairman of the Board Jud Bailey, Vice Chairman Karl Erik Kjelstad, board member Kristian Monsen Røkke and board member Nancy Buese.

As of December 31, 2023, the executive management of HMH Group comprised of CEO Eirik Bergsvik, CFO Thomas McGee, GC/CAO Dwight Rettig, Pål Skogerbø (President Equipment and System Solutions), Chuck Chauviere (President Pressure Control Systems) and CCO Roy Dyrseth.

The Company has no Supervisory Board. In line with compliance of Article 2 of the EC directive 2006/43/EC Implementation Decree of 26 July 2008 (the Decree) concerning audit of annual accounts, the Audit Committee was established in November 2022. The Audit Committee was established by the Company's articles of association as a separate and designated corporate body within the meaning of Article 2 paragraph 4 of the Decree, assigned to perform all duties of an audit committee in accordance with Article 2 paragraph 2 of the Decree. The Audit Committee comprises of one member (Asbjørn Rødal), who qualifies as independent from the Company, is an expert in the field of financial reporting and auditing and has expertise and experience relevant to the Company's business sector. The Board of Directors constituted as the Audit Committee until the Audit Committee was established.

General Meeting of Shareholders

A General Meeting of Shareholders is held not less than once a year to discuss the Annual report, including the report of the Board of Directors, the annual financial statements with explanatory notes, any proposal concerning dividends or other distributions.

The Board of Directors is responsible for all governance activities and is accountable for pursuing and achieving corporate goals and objectives. The Board of Directors is also responsible for the Group strategy and compliance with all regulatory and legislative requirements.

Board of Directors Composition

Jud Bailey
Chairman

Jud Bailey serves as the Vice President of Business Development & Market Analysis at Baker Hughes. In this role, he plays a crucial part in supporting the company's growth strategy and transformation goals by leading strategic M&A efforts. Prior to joining Baker Hughes, Jud gained extensive experience as a sell-side research analyst, covering the Oilfield Services & Equipment industry for nearly 20 years at various firms. His expertise and contributions have been recognized by numerous industry organizations, and over the last two years, he



has been ranked #1 in the Institutional Investor survey for Investor Relations in the Oilfield Services & Equipment sector. Jud is a graduate of Texas A&M and is a CFA charter holder.

Karl Erik Kjelstad

Vice Chairman

Karl Erik Kjelstad is Chief Executive Officer of Akastor ASA and has been part of the Aker group since 1998, and has held numerous key positions, including various CEO positions. Karl Erik has held several board positions in different industries, including oil service, offshore drilling, offshore and merchant shipping, shipbuilding, IT services, real estate and construction industry. Karl Erik holds an MSc in Marine Engineering from the Norwegian University of Science and Technology (NTNU) and an AMP from Harvard Business School.

Nancy Buese

Nancy Buese is the Chief Financial Officer (CFO) of Baker Hughes. With over 30 years of finance leadership experience, she previously held the position of Executive Vice President (EVP) & CFO at Newmont Corporation, a global mining company, from 2016. Prior to that, Buese served as EVP & CFO of MarkWest Energy Partners, a prominent hydrocarbon gathering, processing, and transportation company, and later as EVP & CFO of MPLX following its acquisition of MarkWest. She began her career at Ernst & Young, working for over a decade and becoming a partner before transitioning to corporate roles. Buese has served on several Boards of Directors and holds a bachelor's degree in accounting and business administration from the University of Kansas and is a Certified Public Accountant.

Kristian Monsen Røkke

Kristian Røkke is the Chief Executive Officer of Aker Horizons ASA, a company that develops green energy and green industry to accelerate the transition to net zero. Mr. Røkke was chief investment officer of Aker ASA prior to Aker Horizons, and CEO of Akastor ASA and Philly Shipyard ASA, where he held several operational roles including SVP Operations. Mr. Røkke is currently Chair of the board of several companies, including Mainstream Renewable Power, Aker Carbon Capture ASA, Philly Shipyard ASA, and a director on the board of TRG Holding AS. Mr. Røkke has an MBA from The Wharton School, University of Pennsylvania.

Management remuneration

Board of Directors

The Board of Directors received no remuneration for being directors in 2023. The members of the Board of Directors have no agreements that entitle them to any extraordinary remuneration from HMM.



Policy on remuneration to the members of the executive management

All the members of the executive management were employees of the Group with terms and conditions of employment consistent with industry standards. Mr. Rettig was contracted as an independent contractor.

Compensation to the executive management has fixed elements which include a base salary which, pursuant to the company's benchmarking, is competitive. The executive management has variable remuneration based upon the performance of the company. All variable compensation is subject to HMH performance.

HMH Group has equity award plans for management positions. For two out of three programs, the awards will vest 100% of upon the occurrence of a liquidity event that occurs in or prior to the forfeiture date. For the last program, the vesting period is three calendar years. If the award vests, the award payout will be payable to the management within 30 days after the applicable vesting date.

Referencing note 7.4 for further information.

Directors' and executive management's shareholding

Neither Directors nor the members of the executive management have shares in HMH Group as of December 31, 2023.



Diversity

HMH Group promotes diversity, and provides inclusion to all (potential) employees, irrespective of their gender, ethnic origin, physical and mental ability, age, nationality, sexual orientation, religion or belief, marital status, thinking style or socio-economic status. We oppose all forms of unfair discrimination.

Our guidelines aim to go beyond statutory equal opportunities policy and embrace diversity and inclusion as part of the Group's strategy to source, retain and manage unique talent, skills, knowledge, and experience. These guidelines will govern everyday working life and cover such matters as: recruitment and selection; access to leadership opportunities; access to learning and development opportunities; succession planning; and talent management.

At the end of 2021, a law was passed to amend Book 2 of the Dutch Civil Code in connection with better balancing the ratio of men to women on the Board of Directors for large size companies. As the Company qualifies as such, in line with the new requirements and also the Company's ongoing commitment to diversity in the workplace, the Company intends to set ambitious and appropriate diversity goals and targets to achieve and be in compliance with this law, including but not limited to a focus on hiring, promoting and retaining more women and people of color, identifying more women and people of color to serve on the Board of Directors, as well as in categories of employees in managerial positions within the Company.

In 2024 HMH has implemented its internal policies and procedures, including the HMH Anti-Harassment policy where the objective is to ensure that HMH has a work environment where all individuals are treated with respect dignity and prohibit any kind of discrimination. Currently, the Company's Board of Directors is composed of four appointed Directors. While the composition of the Board of Directors at the end of the financial year, as well as the categories of employees in managerial positions as designated by the Company, are evolving and may not yet be consistent with the Company's overall goals and objectives in terms of balance and diversity, the Company is committed to focusing on progressing, finalizing and implementing those targets and goals.

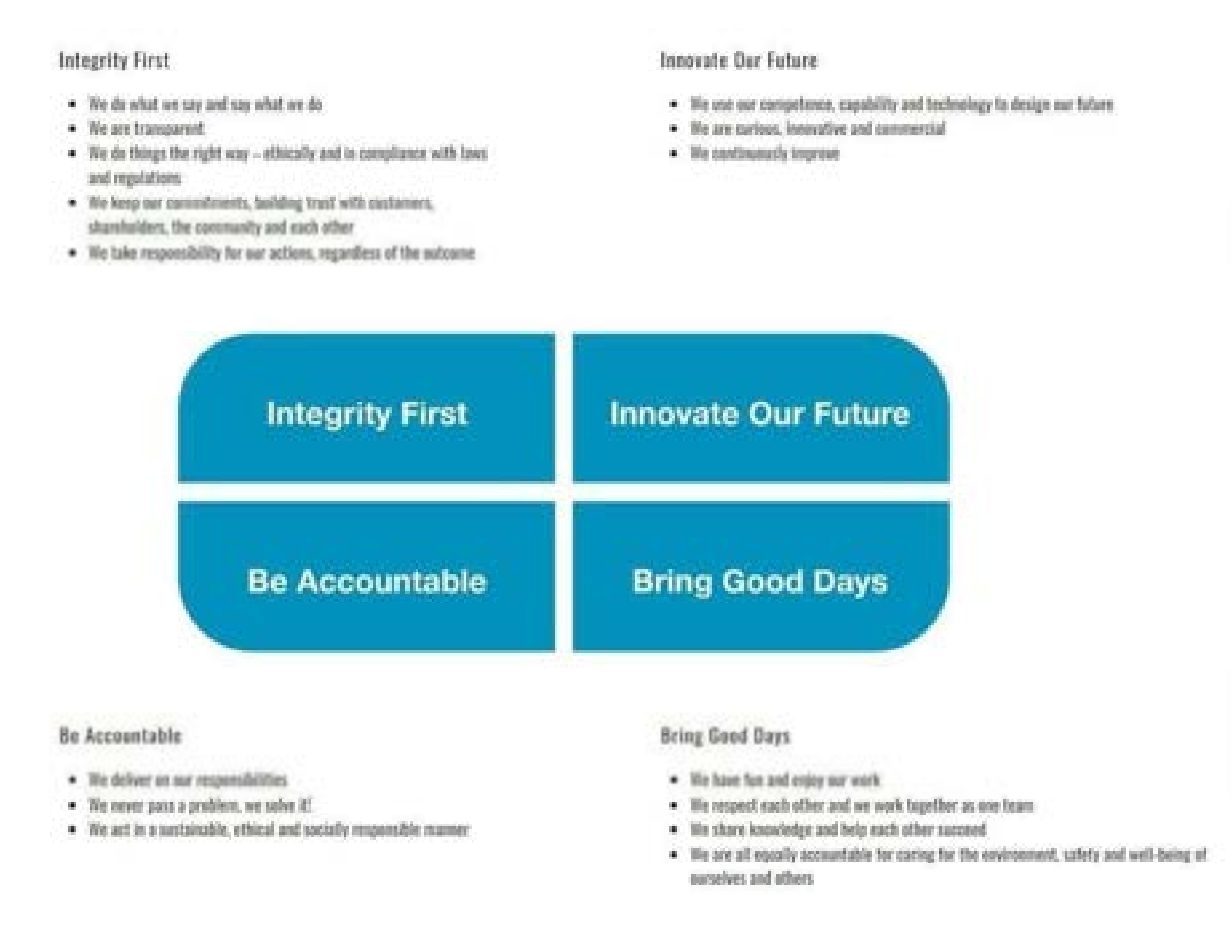
External auditor

For the 2023 financial year, KPMG Accountants N.V. was the Group's independent external auditor.



Values and Code of Conduct

HMH contributes to sustainable social development through responsible business practices. The ethical guidelines and other governing documents of HMH have been drafted following core corporate values as stated below:



HMH has established a Group Code of Conduct that applies to all employees in the HMH Group and requires that business partners adhere to the same principles as HMH. The Code of Conduct is published and made available to all employees, and employees must be familiar with and in compliance with the content of the Code of Conduct.

HMH operates in an international environment involving a diversity of countries and cultures and international transaction and contracts. The Code of Conduct contains a “zero tolerance” policy for bribery and corruption, and guides employees regarding any potential conflicts of interest.



Subsequent Events

No subsequent events are noted which require adjustments in the annual report or to be disclosed.

No-adjusting events.

HMH Holding (Netherlands) B.V. was established and registered in at the Netherlands Chamber of Commerce on 08.02.2024, with HMH Holding B.V. as its sole shareholder. As of the effective date, HMH Holding (Netherlands) B.V. will be a fully consolidated entity of the group.

Amsterdam, 30. April, 2024
The Board of Directors:

DocuSigned by:  Judson Bailey	DocuSigned by:  Karl Erik Kjelstad (Vice Chairman)
--	---

DocuSigned by:  Nancy Buese (Board member)	DocuSigned by:  Kristian Monsen Røkke (Board member)
--	--



Consolidated Financial Statements
for the year 2023
HMH Holding B.V.

Consolidated income statement
for the year ended December 31, 2023

<i>Amounts in USD thousands</i>	<i>Notes</i>	2023	2022 Restated*
Revenue	2.1	785,579	677,267
Materials, goods and services		-369,528	-290,725
Salaries, wages and social security costs	2.5	-218,637	-213,270
Other operating expenses	2.6	-75,187	-95,564
Operating expenses		-663,352	-599,560
Depreciation and amortization	3.1-3.3	-44,683	-47,590
Fair value adjustment of financial assets	7.3	-	-16,002
Operating profit / loss(-)		77,544	14,116
Finance income	4.4	13,769	13,355
Finance expenses	4.4	-63,882	-51,453
Net finance expenses		-50,113	-38,098
Profit / loss(-) from joint ventures and associates		-	168
Profit / loss(-) before tax		27,431	-23,814
Income tax expense	5.1	-16,656	-8,045
Profit / loss(-) for the period		10,775	-31,860
Profit attributable to:			
Equity holders of the parent		10,775	-31,860

Consolidated statement of comprehensive income

<i>Amounts in USD thousands</i>	<i>Notes</i>	2023	2022 Restated*
Profit / loss(-) for the period		10,775	-31,860
Other comprehensive income			
Cash flow hedges, gross amount		3,584	-3,541
Cash flow hedges, related tax		-717	708
Total change in hedging reserve, net of tax	4.5	2,867	-2,833
Currency translation differences - foreign operations		5,126	-1,766
Total items that may be reclassified subsequently to profit or loss, net of tax		7,993	-4,599
Remeasurement gain / loss(-) net defined benefit liability	2.5	13	3,395
Related tax to remeasurement gain / loss(-) net defined benefit liability		4	-639
Total items that will not be reclassified to profit or loss, net of tax		17	2,756
Total other comprehensive income / loss(-) for the period, net of tax		8,009	-1,843
Total comprehensive income / loss(-)		18,785	-33,703
Total comprehensive income / loss(-) attributable to:			
Equity holders of the parent		18,785	-33,703

* The comparative information is restated in account of correction of errors. See note 8.1 and 8.2.

The Notes to the Consolidated Financial Statements on pages 47 to 98 form an integral part of these consolidated financial statements.

Consolidated statements of financial position
As of December 31

<i>Amounts in USD thousands</i>	<i>Notes</i>	2023	2022 Restated*
ASSETS			
Non-current assets			
Property, plant and equipment	3.1	214,834	217,675
Other intangible assets	3.3	148,471	156,427
Right-of-use assets	3.2	34,149	37,138
Goodwill	3.3	287,848	287,525
Other non-current assets	7.1	28,488	32,597
Deferred tax assets	5.1	28,570	32,238
Total non-current assets		742,359	763,602
Current assets			
Inventories	2.3	241,404	182,740
Trade receivables and other current assets	2.4	178,205	172,537
Derivative financial instruments	4.2	2,759	3,703
Current financial assets	4.2	1,500	1,426
Contract assets	2.1	143,652	123,685
Prepaid income tax		884	1,213
Cash and cash equivalents	4.3	62,524	47,336
Total current assets		630,928	532,641
TOTAL ASSETS		1,373,288	1,296,242

As of December 31

<i>Amounts in USD thousands</i>	<i>Notes</i>	2023	2022 Restated*
EQUITY AND LIABILITIES			
Equity			
Share capital	4.7	0	0
Share premium	4.7	601,539	601,539
Other equity	4.7	15,175	-2,802
Retained earnings	4.7	-20,832	-31,607
Total equity		595,881	567,130
Non-current liabilities			
Non-current borrowings	4.8	315,175	262,640
Non-current lease liabilities	3.2	28,617	31,916
Employee benefit obligations	2.5	19,154	18,797
Deferred tax liabilities	5.1	21,541	22,687
Non-current provisions	7.2	1,068	734
Other non-current liabilities	7.1	11,359	15,033
Total non-current liabilities		396,913	351,806
Current liabilities			
Current borrowings	4.8	25,453	39,204
Current lease liabilities	3.2	8,722	8,006
Current tax liabilities	5.1	8,283	6,452
Current provisions	7.2	17,829	15,754
Trade payables and other current liabilities	2.7	243,356	244,284
Contract liabilities	2.1	75,525	57,639
Derivative financial instruments	4.2	1,326	5,967
Total current liabilities		380,495	377,306
Total liabilities		777,408	729,112
TOTAL EQUITY AND LIABILITIES		1,373,289	1,296,242

* The comparative information is restated on account of correction of errors. See Note 8.1 and 8.2.

The Notes to the Consolidated Financial Statements on pages 47 to 98 form an integral part of these consolidated financial statements.

Consolidated statements of cash flows
for the year ended December 31, 2023

<i>Amounts in USD thousands</i>	<i>Notes</i>	2023	2022 Restated*
<i>Cash flow from operating activities</i>			
Profit / loss(-) before tax		27,431	-23,814
<i>Adjustments for:</i>			
Net finance income and expenses		50,113	38,098
Share-based payment expense		6,470	3,500
Foreign exchange gain and loss		527	-5,050
Other net finance cost		-726	2,344
Depreciation, amortization and impairment	3.1	44,683	47,590
Fair value adjustment of financial assets	6.2	-	16,002
Profit / loss(-) on disposal of assets	2.1	-30	-1,795
Profit / loss(-) from joint ventures and associates	6.3	-	-168
Sum Adjustments		128,469	76,706
<i>Changes in:</i>			
Decrease/Increase(-) in trade receivables and other current assets		-4,724	-46,778
Decrease/Increase(-) in inventories		-58,664	-1,165
Increase/Decrease(-) in trade payables and other liabilities		-5,569	85,435
Decrease/Increase(-) in contract assets		-19,967	-30,977
Increase/Decrease(-) in contract liabilities		17,886	-37,468
Decrease/Increase(-) in indemnification assets		2,642	3,344
Decrease/Increase (-) in non-current assets		-33	-1,276
Increase/Decrease(-) in non-current liabilities		-178	-1,585
Decrease/Increase (-) in current financial assets		1,426	-1,033
Increase/Decrease(-) in provisions and employee benefit		2,783	-9,629
Other changes		4,234	-3,827
Sum working capital		-60,164	-44,959
Interest paid		-26,159	-18,604
Interest paid for leases	4.4	-2,180	-2,130
Interest received	4.4	2,592	2,401
Income taxes paid		-11,972	-3,721
Net cash from operating activities		30,586	9,693
<i>Cash flow from investing activities</i>			
Purchase of property, plant and equipment	3.1	-14,116	-7,534
Payments for capitalized development expenses	3.3	-10,541	-7,457
Proceeds from sale of property, plant and equipment		601	1,056
Acquisition of subsidiaries, net of cash acquired	6.1	-	-3,255
Disposed subsidiaries, net of cash		-	1,739
Net cash flow used in investing activities		-24,057	-15,452
<i>Cash flow from financing activities</i>			
Proceeds from borrowing	4.8	183,043	158,000
Payment of borrowings	4.8	-157,320	-185,011
Payment of borrowing cost	4.8	-11,243	-4,105
Payment of lease liabilities	3.2	-4,836	-6,439
Net cash flow used in financing activities		9,644	-37,555
Effect of exchange rate changes on cash and cash equivalents		-986	-1,073
Net increase / decrease (-) in cash and cash equivalents		15,188	-44,388
Cash and cash equivalents at the beginning of the period		47,336	91,725
Cash and cash equivalents at the end of the period	6.3	62,524	47,336

* The comparative information is restated on account of correction of errors. See Note 8.1 and 8.2.

The Notes to the Consolidated Financial Statements on pages 47 to 98 form an integral part of these consolidated financial statements.

Consolidated statements of changes in equity

For the year ended December 31, 2023

For the year ended December 31, 2023		Reserves							
		Share capital ¹⁾	Share premium	Hedging reserve	Pension remeasurement reserve	Share-based payments	Currency translation reserve	Retained earnings	Total equity
Amounts in USD thousands	Note								
2023									
Balance at January 1, as previously reported	4.7	0	601,539	-1,769	2,019	-	-3,051	-17,721	581,017
Impact of correction of errors	8.1	-	-	-	-	-	-	-13,886	-13,886
Restated balance at January 1		0	601,539	-1,769	2,019	-	-3,051	-31,607	567,130
Profit / loss(-) for the period of 2023		-	-	-	-	-	-	10,775	10,775
Other comprehensive income		-	-	2,867	17	-	5,126	-	8,009
Share-based payments	2.5	-	-	-	-	9,967	-	-	9,967
Total comprehensive income		0	601,539	1,098	2,036	9,967	2,075	-20,832	595,881
Balance at December 31, 2023		0	601,539	1,098	2,036	9,967	2,075	-20,832	595,881

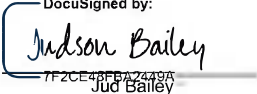
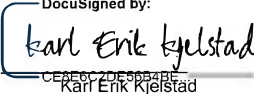


¹⁾ Share capital is USD 0.003 thousand at December 31, 2023

For the year ended December 31, 2022

For the year ended December 31, 2022		Reserves							
		Share capital ¹⁾	Share premium	Hedging reserve	Pension remeasurement reserve	Share-based payments	Currency translation reserve	Retained earnings	Total equity
Amounts in USD thousands	Note								
2022									
Balance at January 1, as previously reported	4.7	0	601,539	1,063	-737		-1,285	-1,863	598,717
Impact of correction of errors		-	-	-	-	-	-	1,700	1,700
Restated balance at January 1		0	601,539	1,063	-737		-1,285	-163	600,417
Profit / loss(-) for the period of 2022		-	-	-	-	-	-	-15,858	-15,858
Other comprehensive income		-	-	-2,833	2,756	-	-1,766	-	-1,843
Impact of correction of errors	8.1	-	-	-	-	-	-	-15,586	-15,586
Total comprehensive income		0	601,539	-1,770	2,019	-	-3,051	-31,607	567,130
Balance at December 31, 2022		0	601,539	-1,770	2,019	-	-3,051	-31,607	567,130

¹⁾ Share capital is USD 0.003 thousand at December 31, 2022

Amsterdam, April 30, 2024

<p>DocuSigned by:</p>  <p>7F2CE48FBA2449A Jud Bailey (Chairman of the board)</p>	<p>DocuSigned by:</p>  <p>CEB6C2DE56B4BE Karl Erik Kjelstad (Board member)</p>
<p>DocuSigned by:</p>  <p>0882F1338C0046 Kristian Mørholm Røkke (Board member)</p>	<p>DocuSigned by:</p>  <p>678E4073B2E9407 Nancy Buese (Board member)</p>

Notes to the consolidated financial statements

Section 1 - Background

1.1 General information

Corporate information

HMH Holding B.V. is a limited liability company that was incorporated and domiciled in the Netherlands on the April 28, 2021. The registered office is located at Weerdestein 97, 1083GG Amsterdam, Netherlands. Due to listing of its bond on Oslo Stock Exchange (Norway) on November 4, 2022, HMH Holding B.V. was considered a public interest entity in the European Union (EU-PIE) as of December 31, 2022. Due to fully repayment of this bond on November 22, 2023 and November 28, 2023, HMH Holding BV is not considered to be a EU-PIE as of December 31, 2023. The Company issued a new bond on October 30, 2023 and expect to list the bond on the Oslo Stock Exchange during Q3 2024. HMH Holding B.V. will be considered a EU-PIE after listing of the new bonds. See note 4.8 for additional information.

The HMH group was incorporated on April 28, 2021 and operationally established with effect from October 1, 2021, through the parent company's acquisition of all shares in MHWirth business from Akastor and the Subsea Drilling System business from Baker Hughes. After these transactions, the shareholders are Baker Hughes Holdings LLC (50%), Akastor AS (25%), and Mercury HoldCo Inc (25%). Akastor ASA fully owns Akastor AS and Mercury HoldCo Inc. HMH is a leading global provider of full-service offshore and onshore drilling equipment offering that provides our customers with a broad portfolio of products and services that are designed to be safer and more efficient. The Company's vision is centered on an unparalleled commitment to quality and yielding economic advantages for customers and stakeholders. HMH Holding B.V. Group has a global span covering five continents with offices in 16 countries.

Basis of preparation

Statement of compliance

The consolidated financial statements of the Company are part of the statutory financial statements of the Company. These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and with Section 2:362(9) of the Dutch Civil Code. The consolidated financial statements were authorized for issue by the Board of Directors on April 30, 2024.

Going concern basis of accounting

The consolidated financial statements have been prepared on a going concern basis, which assumes that the Group will be able to meet the mandatory terms and conditions of the banking facilities and all other commitments as disclosed in note 4.6 Capital management.

Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following material items, which are measured on an alternative basis on each reporting date:

- Derivative financial instruments are measured at fair value.
- Non-derivative financial instruments at Fair Value through Profit or Loss (FVTPL) are measured at fair value.
- Net defined benefit (asset) liability is recognized at fair value of plan assets less the present value of the defined benefit obligation.

Functional and presentation currency

The consolidated financial statements are presented in USD, which is the Company's functional currency. All financial information presented in USD has been rounded to the nearest thousand (USD thousand), except when otherwise stated. In the statement of comprehensive income, income/gains are presented as positive amounts and expenses/costs are presented as negative amounts. In the notes, both income and expenses are presented as positive numbers. The subtotals and totals in some of the tables in these consolidated financial statements may not equal the sum of the amounts shown due to rounding.

Amounts in the prior period financial statements have been adjusted in comparative period of the current period financial statements, see details in note 8.1. The Group has also adjusted comparatives in some notes to more accurate financial information.

Use of estimates and judgments

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Although management believes these assumptions to be reasonable, given historical experience, actual amounts and results could differ from these estimates. The items involving a higher degree of judgment or complexity, and items where assumptions and estimates are material to the consolidated financial statements, are disclosed in note 1.3 Significant accounting estimates and judgments.

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 and in any future periods affected.

New and amended standards and interpretations

The Group applied for the first time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2023 (unless otherwise stated). The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

The Group adopted Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) from 1 January 2023. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of 'material', rather than 'significant', accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

Management reviewed the accounting policies and made updates to the information disclosed in Note 1.2 Material accounting policies (2022: Significant accounting policies) in certain instances in line with the amendments.

The following standard had no impact on the Group's consolidated financial statements:

- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)
- IFRS 17 Insurance Contracts and amendments to IFRS 17 Insurance Contracts.
- Definition of Accounting Estimates (Amendments to IAS 8).

Standards issued but not yet effective

The Group has not early adopted any new or amended standards and interpretations which are effective for annual periods beginning after January 1, 2024. The following new and amended standards are not expected to have a significant impact on the Group's consolidated financial statements.

- Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)
- Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)
- Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)
- Lack of Exchangeability (Amendments to IAS 21)

1.2 Material accounting policies

Summary of material accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to the period presented, unless otherwise stated.

Basis of consolidation

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it 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. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date of which control ceases.

Business combinations

Most business combinations are governed by IFRS 3 Business combinations. However, according to IFRS 3.2, the standard does not apply to the accounting for the formation of a joint venture in the financial statements of the joint venture itself nor does it apply to a combination of entities under common control. There is no other specific guidance on the topic of common control elsewhere in IFRS and so significant estimate has been exercised.

HMH concluded that the formation of the Group is considered to be a business combination on formation of a joint venture, outside the scope of IFRS 3. HMH developed and adopted an accounting policy in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors of measuring the transaction at fair value in the consolidated financial statements. Under this method, the contribution of the MHWirth and SDS business was accounted for under the acquisition method set out in IFRS 3, whereby assets and liabilities are measured at fair value on acquisition date. As such, a purchase price allocation calculation was performed by the management expert.

Business combinations are accounted for using the acquisition method as of the acquisition date, which is the date when control is transferred to the Group. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment.

Transaction costs, other than those associated with the issue of debt or equity securities incurred in connection with a business combination are expensed as incurred.

Loss of control

On the loss of control, the Group derecognizes the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity. Any resulting gain or loss is recognized in the income statement. Any interest retained in the former subsidiary is measured at fair value when control is lost. Subsequently is accounted under the equity-method or as an equity investment depending on the level of influence retained.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealized gains and losses or income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealized gains arising from transactions with joint ventures and associates are eliminated to the extent of the Group's interest in the entity. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

Foreign currency*Foreign currency transactions and balances*

Transactions in foreign currencies are translated at the exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate on that date. Foreign exchange differences arising on translation are recognized in the income statement. Non-monetary assets and liabilities measured in terms of historical cost in a foreign currency are translated using the exchange rate on the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rates on the date the fair value is determined.

Investments in foreign operations

Items included in the 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 results and financial positions of all the group entities that have a functional currency different from the Group's presentation currency are translated into the presentation currency as follows:

- Assets and liabilities, including goodwill and fair value adjustments, are translated at the closing exchange rate at the reporting date.
- Income statements are translated at average exchange rate for the period, calculated on the basis of 12 monthly end rates.

Foreign currency differences are recognized in other comprehensive income and accumulated in the currency translation reserve.

Current / non-current classification

An asset is classified as current when it is expected to be realized or is intended for sale or consumption in the Group's normal operating cycle, it is held primarily for the purpose of being traded, or it is expected/due to be realized or settled within twelve months after the reporting date. Other assets are classified as non-current.

A liability is classified as current when it is expected to be settled in the Group's normal operating cycle, is held primarily for the purpose of being traded, the liability is due to be settled within twelve months after the reporting period, or if the Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current.

Financial assets, financial liabilities, and equity

A financial asset or financial liability is initially measured at fair value plus or minus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. On initial recognition, a financial asset is classified as measured at amortized costs or FVTPL. The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

- A financial asset is measured at amortized costs if the business model is to hold the asset to collect contractual cash flows, and the contractual cash flows are solely payments of principal and interests (SPPI criterion).
- All financial assets not classified as measured at amortized cost are measured at FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets.

The Group derecognizes a financial asset when: The contractual rights to the cash flows from the financial asset expire; or it transfers the rights to receive the contractual cash flows in a transaction in which either: substantially all of the risks and rewards of ownership of the financial asset are transferred; or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. The Group enters into transactions whereby it transfers assets recognized in its statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

The Group derecognizes a financial liability when its contractual obligations are discharged or canceled or expire. The Group also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

Other investments

Other investments include equity and debt investments in companies where the Group has neither control nor significant influence, usually represented by less than 20 percent of the voting power. The investments are categorized as financial assets measured at FVTPL and recognized at fair value at the reporting date. Subsequent to initial recognition, changes in financial assets measured at FVTPL are recognized in profit and loss.

Trade receivables and other current assets

Trade receivables and other current assets are classified as financial assets measured at amortized costs. They are recognized at the original invoiced amount, less loss allowance made for credit losses. The interest rate element is disregarded if insignificant, which is the case for the majority of the Group's trade receivables.

Interest-bearing receivables

Interest-bearing receivables include loans to related parties and are generally classified as financial assets measured at amortized costs. Such financial assets are recognized initially at fair value and subsequent measurement at amortized cost using the effective interest method, less any impairment losses.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, demand deposits held at banks and other short-term highly liquid investments with original maturity of three months or less.

Trade payables and other current liabilities

Trade payables are recognized at the original invoiced amount. Other current liabilities are recognized initially at fair value. Trade payables and other current liabilities are valued at amortized cost using the effective interest rate method. The interest rate element is disregarded if it is insignificant, which is the case for the majority of the Group's trade payables.

Interest-bearing borrowings

Interest-bearing borrowings are recognized initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are measured at amortized cost with any difference between cost and redemption value being recognized in the income statement over the period of the borrowings on an effective interest basis.

Share capital

Ordinary shares are classified as equity. Repurchase of share capital is recognized as a reduction in equity and is classified as treasury shares.

Derivative financial instruments

The Group uses derivative financial instruments such as currency forward contracts to hedge its exposure to foreign exchange risks arising from operational, financial and investment activities. These derivative financial instruments are accounted for as cash flow hedges since highly probable future cash flows are hedged (rather than committed revenues and expenses). Derivative financial instruments are recognized initially at fair value. Derivatives are subsequently measured at fair value, and changes in fair value are accounted for as described below. Financial instruments, including derivatives, are only used to mitigate risk and are not used for trading and/or speculation purposes.

Cash flow hedge

Hedging of the exposure to variability in cash flows that is attributable to a particular risk or a highly probable future cash flow is defined as a cash flow hedge. The effective portion of changes in the fair value is recognized in other comprehensive income as a hedge reserve. Any gain or loss relating to the ineffective portion of derivative hedging instruments is recognized immediately in the income statement as finance income or expense.

Hedge accounting is discontinued when the hedge no longer qualifies for hedge accounting. Disqualification occurs when the hedging instrument expires, is sold, terminated or exercised, or when a forecast transaction is no longer expected, or the hedge is no longer effective. When a hedge is disqualified, the cumulative gain or loss that was recognized in the hedge reserve is recognized immediately in the income statement unless it relates to a future cash flow that is likely to occur, but don't qualify for hedge accounting, in which the accumulated hedge reserve remains in other comprehensive income until the hedged cash flow is recognized in income statement. For cash flow hedges associated with forecast transactions that subsequently result in recognition of a non-financial asset, the amounts accumulated in the cash flow hedge reserve is included directly in the initial cost of the non-financial asset when recognized.

Finance income and expense

Finance income and expense include interest income and expense, foreign exchange gains and losses, dividend income, gains and losses on derivatives, as well as change in fair value of financial assets measured at FVTPL. Interest income and expenses include calculated interest using the effective interest method, in addition to discounting effects from assets and liabilities measured at fair value. Gains and losses on derivatives include effects from derivatives that do not qualify for hedge accounting, in addition to the ineffective portion of qualifying hedges. Reclassifications of OCI is booked against financial expenses.

Revenue from contract with customers

The significant accounting policies relating to revenue recognition from contracts with customers are described in note 1.3 Significant accounting estimates and judgments (Revenue recognition) and note 2.1 Revenue from contracts with customers.

Contract assets

Contract assets relate to the Group's rights to consideration for work performed, but not yet invoiced at the reporting date. The contract assets are transferred to receivables when the rights to payment become unconditional, which usually occurs when invoices are issued to the customers.

Contract liabilities

A contract liability is recognized if a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognized as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

Income tax

Income tax recognized in the income statement comprises current and deferred tax. Income tax is recognized in the income statement except to the extent that it relates to items recognized directly in equity or other comprehensive income. The OECD has advanced reforms focused on global profit allocation and implementing a global minimum tax rate of at least 15% for large multinational corporations on a jurisdiction-by-jurisdiction basis, known as "Pillar Two." On

December 15, 2022, the European Council formally adopted a European Union directive on the implementation of the plan by January 1, 2024. This is not expected to materially increase the taxes the Group owes and for 2023 HMH is not in scope for implementation of Pillar two.

Current tax is the expected tax payable or receivable on the taxable income or loss for the period, using tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payable in respect of previous periods. Current tax payable also includes any tax liability arising from the declaration of dividends, recognized at the same time as the liability to pay the related dividend.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting and the amounts used for taxation purposes. The deferred tax assets acquired before the incorporation of the HMH Group are retained by the shareholders. Shareholders have the right to bill HMH when deferred tax assets are utilized. The fair value of the obligation to shareholders is acknowledged within the Group and is presented as Other Non-Current Liabilities. Deferred tax is not recognized for:

- Goodwill not deductible for tax purposes
- The initial recognition of assets or liabilities that affects neither accounting nor taxable profit
- Temporary differences relating to investments in subsidiaries to the extent that they will not reverse in the foreseeable future

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the tax rates that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realize the tax assets and settle the liabilities simultaneously.

Deferred tax assets are recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Measurement of deferred tax assets are reviewed at each reporting date.

Inventories

Inventories are recognized at the average acquisition cost or net realizable value, whichever is lower. The net sales value for raw materials and work in progress (goods under production) is calculated as the net realizable value of the finished products less the remaining production and sales costs. In the case of manufactured inventories and work in progress, cost should include an appropriate share of attributable costs based on normal operating capacity. The inventory policy also applies for project inventory, which is inventory purchased based on project demands, but that has not yet been issued to projects.

Impairment

Trade receivables and contract assets

Loss allowance is recognized in profit or loss and measured at lifetime Expected Credit Loss (ECLs.) ECLs is a probability-weighted estimate of credit losses. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial asset. The Group considers a financial asset to be in default when the Group is unlikely to receive its outstanding contractual amount in full, or the contractual payments are more than 90 days past due. When estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort, based on the Group's historical experience including forward-looking information.

The gross carrying amount of trade receivable is written off when the Group has no reasonable expectations of recovering a trade receivable in its entirety or a portion thereof. The Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. Trade receivables that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

Non-financial assets

The carrying amounts of the Group's non-financial assets (other than employee benefit assets, inventories and deferred tax assets) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If an indication of impairment exists, the asset's recoverable amount is estimated. Cash-generating units (CGU) containing goodwill, intangible assets with an indefinite useful life and intangible assets that are not yet available for use are tested for impairment annually.

The recoverable amount is the greater of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the CGU to which the asset belongs.

An impairment loss is recognized whenever the carrying amount of an asset or a CGU exceeds its recoverable amount. Impairment losses are recognized in the income statement.

An impairment loss recognized in respect of a CGU (or a group of CGUs) containing goodwill is allocated first to goodwill and then to the other assets in the CGU(s) on a pro rata basis.

An impairment loss on goodwill is not reversed. An impairment loss on other assets is reversed if there has been a change in the estimates used to determine the recoverable amount, and the change can be objectively related to an event occurring after the impairment is recognized. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

Provisions

A provision is recognized when the Group has a present obligation as a result of a past event that can be estimated reliably, and it is probable that the Group will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a market based post-tax rate that reflects current market assessments of the time value of money and, where appropriate, the liability-specific risks. The unwinding of the discount is recognized as finance expense.

Warranties

Provision for warranties is recognized when the underlying products or services are sold. The provision is based on historical warranty data and a weighting of all possible outcomes against their associated probabilities.

Onerous contracts

Provision for onerous contracts is recognized when the expected benefits to be derived by the Group from a contract are lower than the unavoidable costs of meeting the obligations under the contract. The provision is measured at the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is recognized, the Group recognizes any impairment loss on the assets associated with the contract.

Restructuring

A restructuring provision is recognized when the Group has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that the entity will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with the ongoing activities of the entity.

Leases

As a lessee

Right-of-use assets

The Group recognizes right-of-use asset at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any prepaid lease payments made at or before the commencement date, plus any initial direct costs. Subsequently, the right-of-use asset is depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. In addition, the right-of-asset is subject to impairment assessment of non-financial assets and adjusted for certain remeasurement of the lease liability.

Lease liabilities

At the lease commencement date, the Group recognizes lease liability measured at the present value of the lease payments over the lease term, discounted using the Group's incremental interest rate. Generally, the lease payments include fixed payments and variable lease payments that depend on an index or rate. The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payment made. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, or as appropriate, changes in the assessment of whether an extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

Short term leases and leases of low-value assets

The Group applies the recognition exemption to its leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option (short-term leases). The Group also applies recognition exemption to leases that are considered of low-value assets, mainly IT equipment and office equipment. Lease payments associated with the short-term leases and leases of low-value assets are recognized as expenses on a straight-line basis over the lease term.

Lease term

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any period covered by an option to terminate the lease if it is reasonably certain not to be exercised. The Group applies judgment in evaluating whether it is reasonably certain to exercise extension option, considering all relevant factors that create economic incentive to exercise the extension option.

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. The cost of self-constructed assets includes the cost of materials, direct labor, borrowing costs on qualifying assets, production overheads and the estimated costs of dismantling and removing the assets and restoring the site on which they are located.

If the components of property, plant and equipment have different useful lives, they are accounted for as separate components.

Subsequent costs

The Group capitalizes the cost of a replacement part or a component of property, plant and equipment when that cost is incurred if it is probable that the future economic benefits embodied with the item will flow to the Group and the cost of the item can be measured reliably. All other costs are expensed as incurred.

Depreciation

Depreciation is normally recognized on a straight-line basis over the estimated useful lives of property, plant and equipment.

Intangible assets*Goodwill*

Goodwill that arises from the acquisition of subsidiaries is presented as intangible asset. For the measurement of goodwill at initial recognition, see Business combinations.

Goodwill is measured at cost less accumulated impairment losses. In respect of investments in associated and joint ventures, the carrying amount of goodwill is included in the carrying amount of the investment, and any impairment loss is allocated to the carrying amount of the investments in joint venture and associates as a whole.

When the Group disposes of an operation within a CGU or group of CGUs to which goodwill has been allocated, a portion of the goodwill is included in the carrying amount of the operation when determining the gain or loss on disposal. The portion of the goodwill allocated is measured based on the relative values of the operation disposed of and the portion of the CGU retained at the date of partial disposal, unless it can be demonstrated that another method better reflects the goodwill associated with the operation disposed of. The same principle is used for allocation of goodwill when the Group reorganizes its businesses.

Research and development

Expenditures on research activities undertaken with the prospect of obtaining new scientific or technical knowledge and understanding is recognized in the income statement as incurred.

Development activities involve a plan or design for the production of new or substantially improved products or processes. Development expenditure is capitalized only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Group intends to and has sufficient resources to complete development and to use or sell the asset. The capitalized expenditure includes cost of materials, direct labor overhead costs that are directly attributable to preparing the asset for its intended use and capitalized interest on qualifying assets. Other development expenditures are recognized in the income statement as an expense as incurred.

Capitalized development expenditure is measured at cost less accumulated amortization and accumulated impairment losses.

Other intangible assets, Patents and rights, Customer relations

Acquired intangible assets are measured at cost less accumulated amortization and impairment losses.

Subsequent expenditures

Subsequent expenditures on intangible assets are capitalized only when they increase the future economic benefits embodied in the specific asset to which they relate. All other expenditures are expensed as incurred.

Amortization

Amortization is recognized in the income statement on a straight-line basis over the estimated useful lives of intangible assets unless such useful lives are indefinite. Intangible assets are amortized from the date they are available for use. Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Employee benefits*Defined contribution plans*

Obligations for contributions to defined contribution pension plans are recognized as an expense in the income statement as incurred.

Defined benefit plans

The Group's net obligation in respect of defined benefit pension plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods; discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. The discount rate is the yield at the reporting date on government bonds or high-quality corporate bonds with maturities consistent with the terms of the obligations.

Remeasurement of the net defined benefit liability, which comprises actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in other comprehensive income. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual

period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognized in the income statement.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in the income statement. The Group recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Share-based payments

The grant-date fair value of equity-settled share-based payment awards granted to employees is generally recognized as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognized as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognized is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

Fair value measurement

When available, the Group measures the fair value of a financial instrument using the quoted price in an active market for that instrument. If there is no quoted price in an active market, then the Group uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price. If the Group determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, the financial instrument is initially measured at fair value, and the difference between the fair value on initial recognition and the transaction price is recognized as a deferred gain or loss. Subsequently, the deferred gain or loss is recognized in profit or loss on an appropriate basis over the life of the instrument.

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. See note 1.3 for more information.

1.3 Significant accounting estimates and judgments

Estimates and judgements

Estimates and judgments are continually reviewed and are based on historical experiences and expectations of future events. The resulting accounting estimates will, by definition, seldom accurately match actual results, but are based on the best estimate at the time. Estimates and assumptions that have a significant risk of causing material adjustments to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Revenue recognition

Revenue from performance obligations satisfied over time, typically in construction contracts and service contracts, are recognized according to progress. This requires estimates of the final total revenue, as well as measurement of progress achieved to date as a proportion of the total work to be performed. The estimated progress in long-term construction contracts is based on internal and external estimates of progress. See note 2.1 for description of type of revenue and revenue recognition policy by type of revenue.

The main uncertainty when assessing total contract revenue is related to recoverable amounts from variation orders, claims and incentive payments which are recognized when it is highly probable that they will not result in a significant reversal of revenue. This assessment is adjusted by management's evaluation of liquidated damages to be imposed by customers, typically relating to contractual delivery terms. In most construction contracts, there are frequent changes in scope of work resulting in variation orders. The contracts with customers normally include procedures for issuing and approval of variation orders. There can be unapproved variation orders and claims included in the contract revenue where recovery is assessed as highly probable and other criteria are met. Even though management has extensive experience in assessing the outcome of such negotiations, uncertainties exist.

One of the key uncertainties related to revenue recognition arises in the final stages of the completion of long-term contracts which can involve contract change orders with customers. The estimates of the likely outcome of these renegotiations are based on management's assessments subject to complex interpretations of contractual, engineering, design and project execution issues. There can be a wide range of reasonably possible outcomes from such renegotiations and the estimates made require a high degree of judgment.

The stage of completion and estimated margin in the start-up phase of a long-term construction contracts are based on assumptions and hence exposed to inherent risks. The estimation uncertainty related to total cost estimates during the early stages of a long-term construction contract is mitigated by a policy of recognizing revenue equal to cost until the significant risk is measurable and a mature cost estimate is concluded upon.

Warranties

A provision is made for expected warranty expenditures. The warranty period is normally 12-30 months depending on the specific customer contract and terms. Based on historical warranty expense experience, the warranty provision is estimated at 1.4% of product cost in long term construction contracts and 1% of revenue for single equipment sales. Reference is made to note 7.2 Provisions for further information about provisions for warranty expenditures.

Impairment of financial assets

The Group holds various financial assets, which may be subject to impairment if there are indicators of potential declines in their recoverable amounts. In such cases, impairment tests are conducted to evaluate whether adjustments to carrying values are necessary. These tests typically involve estimating future cash flows, determining appropriate discount rates, and making assumptions about market conditions, all of which require significant management judgment and analysis.

Property, plant and equipment and intangible assets

The Group has significant non-current assets recognized in the consolidated statement of financial position related to property, plant and equipment and intangible assets. The recoverable amount of some of these assets can be significantly impacted by changes of market conditions. The Group considers whether there are indications of impairment on the carrying amounts of such non-current assets. If such indications exist, an impairment test is performed to assess whether or not the assets should be impaired. The valuations will often be performed based on estimates of future cash flows discounted by an appropriate discount rate. Significant estimates and judgments are made by the management, including determining cash-generating units and discount rate, projections for future cash flows and assumptions of future market conditions. There have been no changes in cash-generating units in 2023. References are made to note 3.1 Property, plant and equipment and note 3.3 Intangible assets and goodwill.

Right-of-use asset

The Group considers whether there are indications of impairment on the carrying amounts of rights-of-use assets. If such indications exist, an impairment test is performed to assess whether or not the assets should be impaired. The valuations will often be performed based on estimates of future cash flows discounted by an appropriate discount rate. Significant estimates and judgments are made by the management, including determining cash-generating units and discount rate, projections for future cash flows and assumptions of future market conditions. References are made to note 3.2 Right-of-use assets and related lease liabilities.

Goodwill

The Group performs impairment testing of goodwill annually or more frequently if any impairment indicators are identified. The recoverable amounts of cash-generating units to which goodwill is allocated have been determined based on fair value in use. These calculations require management to estimate future cash flows expected to arise from these cash-generating units and an appropriate discount rate to reflect the time value of the money. Key assumptions made by the management also include assumptions for future market conditions, which require a high degree of judgment. Further details about goodwill allocation and impairment testing are included in note 3.4 Impairment testing of goodwill.

Income taxes

The Group is subject to income taxes in numerous jurisdictions. Significant judgment is required to determine the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Provisions for anticipated tax audit issues are based on estimates of eventual additional taxes.

Income tax expense is calculated based on reported income in the different legal entities. Deferred income tax assets and liabilities is calculated based on the temporary differences between the assets' carrying amount for financial reporting purposes and their respective tax basis. The total amount of income tax expense and allocation between current and deferred income tax requires management's interpretation of complex tax laws and regulations in the many tax jurisdictions where the Group operates.

Valuation of deferred tax assets is dependent on management's assessment of future recoverability of the deferred tax benefit. Expected recoverability may result from expected taxable income in the near future, planned transactions or planned tax optimizing measures. Economic conditions may change and lead to a different conclusion regarding recoverability, and such change may affect the results for each future reporting period.

Tax authorities in different jurisdictions may challenge calculation of income taxes from prior periods. Such processes may lead to changes to prior periods' taxable income, resulting in changes to income tax expense. When tax authorities' challenge income tax calculations, management is required to make estimates of the probability and amount of possible tax adjustments. Such estimates may change as additional information becomes known. Further details about income taxes are included in note 5.1 Income tax.

Fair value

The determination of the fair value and the useful lives of the assets and liabilities acquired is performed, which required the application of judgment. Fair values have been estimated by a range of different valuation techniques, such as the market approach, income approach and cost approach based on the which techniques that has been assessed to be most appropriate for the type of assets or liability measured. All of these methods include a range of various assumptions where significant estimate has been exercised.

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Including:

- a) Derivatives (note 4.2)
- b) Acquisitions (note 6.1)

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Section 2 - Operating performance

2.1 Revenue

Revenue types

Amounts in USD thousands

	2023	2022
Revenue	782,555	676,326
Other revenue and income		
Lease revenue	465	425
Other income	2,528	460
Gain / Loss (-) on disposal of fixed assets	30	55
Total revenue	785,579	677,267

Disaggregation of revenue and other income

Revenue and other income is disaggregated in the following table by major contract and revenue types and timing of revenue recognition. See note 2.2 for description of the segments ESS and PCS.

For the year ended December 31, 2023

Amounts in USD thousands

	ESS	PCS	Total
Major contract/revenue types			
Construction revenue	48,169	101,731	149,900
Service revenue	191,928	139,854	331,782
Sale of products	140,271	163,626	303,897
Total revenue	380,368	405,211	785,579

Timing of revenue recognition

Transferred over time	240,097	241,585	481,682
Transferred at point in time	140,271	163,626	303,897
Total revenue	380,368	405,211	785,579

For the year ended December 31, 2022

Amounts in USD thousands

	ESS	PCS	Total
Major contract/revenue types			
Construction revenue	93,148	42,780	135,928
Service revenue	229,650	213,350	443,000
Sale of products	63,828	34,511	98,339
Total revenue	386,626	290,641	677,267

Timing of revenue recognition

Transferred over time	322,798	256,130	578,928
Transferred at point in time	63,828	34,511	98,339
Total revenue	386,626	290,641	677,267

Amounts in USD thousands

	2023	2022
Trade receivables included in "Trade receivables and other current assets"	147,828	129,973
Contract assets	143,652	123,685
Contract liabilities	75,525	57,639

Transaction price allocated to the remaining performance obligations

The following table includes revenue expected to be recognized in the future related to performance obligations that are unsatisfied (or partially satisfied) as of December 31, 2023 and December 31, 2022.

Amounts in USD thousands	2024	Later	Total
Transaction price allocated from 2023	329,293	26,214	355,507

Amounts in USD thousands	2023	Later	Total
Transaction price allocated from 2022	364,358	25,852	390,210

The amounts disclosed above do not include variable consideration which is constrained.

2.1 Revenue (Continued)

The following provides information about nature of performance obligations, including significant payment terms, and related significant revenue recognition policies.

Revenue is measured based on the consideration specified in a contract with a customer. The Group recognizes revenue when it transfers control over a good or service to a customer. The assessment is made on contract-by-contract basis. Refer to note 1.3 for description of the significant estimates in the revenue recognition.

Type of contract/revenue	Nature of performance obligations, including significant payment terms	Significant revenue recognition policies
Construction contracts	<p>Under construction contracts, specialized products are built to a customer's specifications and the assets have no alternative use to the Group. If a construction contract is terminated by the customer, the Group has an enforceable right to payment for the work completed to date. The contracts usually establish a milestone payment schedule. The Group has assessed that these performance obligations are satisfied over time.</p> <p>Each of the construction contracts normally includes a single, combined output for the customer, such as an integrated drilling equipment package. One single performance obligation is usually identified in each contract.</p> <p>Assurance-type warranty for a period of 12-30 months is normally included in construction contracts.</p> <p>Normal payment terms for Construction Contracts are 30 to 45 days.</p>	<p>Revenue from the construction performance obligations is recognized according to progress. The input method used to measure progress is determined by reference to the cost incurred to date relative to the total estimated contract cost. Revenue in excess of costs is not recognized until the outcome of the performance obligation can be measured reliably, usually at 20% of completion.</p> <p>Variable considerations, such as incentive bonus, are included in construction revenue when it is highly probable that a significant revenue reversal will not occur. Potential penalty for Liquidated Damages is recognized as a reduction of the transaction price unless it is highly probable that it will not be incurred. Disputed amounts and claims are only recognized when negotiations have reached an advanced stage, customer acceptance is highly likely, and the amounts can be measured reliably.</p> <p>Contract modifications are accounted for as a separate contract when the deliveries are distinct from deliveries in the main contract, and the pricing of the deliveries in the variation order is based on stand-alone selling prices. Contract modifications is only accounted for when the modification is approved by the customer. If the modification is approved, but price is not yet settled, revenue is only recognized when it is highly probable that it will not be reversed.</p>
Service revenue	<p>Service revenue is generated from rendering of services to customers. The customers simultaneously receive and consume the benefits provided by these services. The invoicing is usually based on the service provided at regular basis.</p> <p>Under some service contracts, the invoices are based on hours or days performed at agreed rates. The Group has assessed that these performance obligations are satisfied over time.</p> <p>Normal payment terms for Service revenue are 30-45 days.</p>	<p>Service revenue is recognized over time as the services are provided.</p> <p>The revenue is recognized according to progress or using the invoiced amounts when the invoiced amounts directly correspond with the value of the services that are transferred to the customers. The progress is normally measured using an input method, by the reference of costs incurred to date relative to the total estimated costs.</p> <p>As part of service contracts, HMM also sells spare parts. Spare part revenue is recognized when the goods are ready for collection/at delivery i.e. point in time.</p>
Sale of products	<p>This revenue type involves sale of products or equipment that are of a standard nature, not made to the customer's specifications. Customers obtain control of these products usually when the goods are delivered to the customers according to the contract terms.</p> <p>Invoices are usually generated when the products are delivered. The Group has assessed that these performance obligations are satisfied at a point of time.</p> <p>Assurance-type warranty for a period of 12-18 months is normally included in these contracts.</p> <p>Normal payment terms for Sale of products is 30 days or 30-45 days.</p>	<p>Revenue from these performance obligations is recognized when the customers obtain control of the goods, which is essentially similar to the timing when the goods are delivered to the customers.</p>

2.2 Segments

Basis for segmentation

As of December 31, 2023, HMM has two operating segments. The segments are managed separately and offer different products and services due to different market segments and different strategies for their projects, products and services:

Equipment and System Solutions (ESS) is a supplier of drilling solutions and complete top side drilling packages and services to both onshore and offshore oil and gas, which includes: overhaul, equipment installation and commissioning, services account management, 24/7 technical support, logistics, engineering upgrades, spare parts supply, training and condition based maintenance etc. ESS segment is derived from the acquisition of MHWirth AS.

Pressure Control Systems (PCS) is a supplier of integrated drilling products and services, and the key product offering consists of Blowout Prevention (BOP) systems, controls and drilling riser equipment, spare parts supply for rig operations and maintenance programs, overhaul and recertification and reactivation of rigs, technical and operational rig support which includes a 24/7 support center and Contractual Service Agreements (CSA) / Long Term Service Agreements (LTSA). PCS is derived from the acquisition of Subsea Drilling Systems (SDS).

Measurement of segment performance

Segment performance is measured by operating profit before depreciation, amortization and impairment (EBITDA) which is reviewed by the group's Executive Management (the chief operating decision maker). Segment profit, together with key financial information as described below, gives the Executive Management Group relevant information in evaluating the results of the operating segments and is relevant in evaluating the results of the segments relative to other entities operating within these industries. Inter-segment pricing is determined on an arm's length basis.

The accounting policies of the reportable segments are the same as described under note 1.1 Basis of preparation and note 1.2 Material accounting policies.

<i>Amounts in USD thousands</i>	ESS	PCS	Total operating segments	Eliminations	Headquarter	Total HMM
For the year ended December 31, 2023						
<i>Income statement</i>						
External revenue and other income	380,368	405,211	785,579	-	-	785,579
Inter-segment revenue	8,284	7,948	16,232	-16,232	-	-
Total revenue	388,652	413,159	801,811	-16,232	-	785,579
Operating profit before interest, depreciation, amortization and impairment	29,998	100,090	130,087	-	-7,860	122,228
Depreciation and amortization						-44,683
Fair value adjustment of financial assets						-
Operating profit / loss(-)						77,545
Net finance income/expense						-50,113
Profit / loss(-) from joint ventures and associates						-
Profit / loss(-) before tax						27,431

<i>Amounts in USD thousands</i>	ESS	PCS	Total operating segments	Eliminations	Headquarter	Total HMM
For the year ended December 31, 2022						
<i>Income statement</i>						
External revenue and other income	386,626	290,641	677,267	-	-	677,267
Inter-segment revenue	7,369	10,585	17,954	-17,954	-	-
Total revenue and other income	393,995	301,226	695,221	-17,954	-	677,267
Operating profit before interest, depreciation, amortization and impairment	27,661	51,737	79,399	-	-1,691	77,707
Depreciation and amortization						-47,590
Fair value adjustment of financial assets						-16,002
Operating profit / loss(-)						14,116
Net finance income/expense						-38,098
Profit / loss(-) from joint ventures and associates						168
Profit / loss(-) before tax						-23,814

Geographical information

Geographical revenue is presented on the basis of geographical location of the group companies selling to the customers. Non-current assets and capital expenditures are based on the geographical location of the assets.

<i>Amounts in USD thousands</i>	2023			2022		
	ESS	PCS	Revenue	ESS	PCS	Revenue
USA	42,200	256,182	298,381	30,466	226,675	257,141
Norway	178,369	-	178,369	204,709	-	204,709
UK	8,722	58,750	67,473	6,765	35,104	41,869
Germany	62,002	-	62,002	56,198	-	56,198
Singapore	11,039	38,998	50,037	10,877	25,566	36,443
Brazil	20,868	8,027	28,895	21,543	-	21,543
United Arab Emirates	21,936	4,299	26,236	12,564	-	12,564
China	5,979	18,229	24,208	17,405	-	17,405
Azerbaijan	17,096	3,662	20,758	26,099	-	26,099
Saudi Arabia	-	10,839	10,839	-	-	-
Australia	10,236	-	10,236	-	-	-
Senegal	-	5,936	5,936	-	-	-
Other countries	1,921	289	2,210	-	3,296	3,296
Revenue	380,368	405,211	785,579	386,626	290,641	677,267

2.2 Segments (Continued)

<i>Amounts in USD thousands</i>	Non-current assets excluding deferred tax assets and financial instruments	
	2023	2022
HQ Netherlands ¹⁾	404,652	385,869
USA	164,109	200,767
Norway	44,584	40,142
Brazil	31,210	27,588
Germany	22,812	22,959
Other countries	17,124	9,585
Consolidated assets	684,492	686,909

¹⁾ HQ Netherlands assets is mainly Goodwill accounted for in HMM Holding B.V. and intangible assets acquired through merger of PCS and ESS.

Major customer

There was no customer that alone contributed to more than 10% of total revenue in 2023 and 2022.

2.3 Inventories

As of December 31

Amounts in USD thousands

	2023	2022
Stock of raw materials	38,859	35,053
Goods under production	7,981	9,597
Finished goods	194,564	138,091
Total inventories	241,404	182,740
Recognized as expense in the period	-74,771	-85,237
Write-down of inventories in the period	-783	-1,292
Reversal of write-down in the period	399	119

Finished goods

The Group purchases parts which are to be modified and used in projects. These modified parts are classified as finished good until they are sold as part of the projects. There are limited amounts of parts which are sold as unmodified products to customers. Project Stock is included as inventory and amounts to USD 22.9 million in 2023 (USD 24.6 million in 2022).

2.4 Trade receivables and other current assets**As of December 31**

<i>Amounts in USD thousands</i>	2023	2022
Trade receivables	130,659	133,784
Provision for expected credit loss	-6,747	-3,811
Total trade receivables, net of provision	123,912	129,973
Other receivables	2,414	5,623
Advances to suppliers	16,148	12,960
Prepaid expenses	31,180	19,688
Public duty and tax refund	4,551	4,294
Total receivables and other current assets	178,205	172,537

Book value of trade and other receivables is approximately equal to fair value.

Aging of trade receivables

<i>Amounts in USD thousands</i>	2023	2022
Excluding provision for impairment		
Not overdue	90,554	81,516
Past due 0-30 days	19,461	11,018
Past due 31-90 days	10,754	23,531
Past due 91 days	9,890	17,718
Total trade receivables	130,659	133,784

A majority of the trade receivables past due is related to major customers. These outstanding receivables are monitored regularly and impairment analysis is performed on an individual basis for major customers. As of December 31, 2023, provision of impairment of USD 6,8 million was recorded on receivables (2022: USD 3,8 million). See below for the movements in the provision for impairment of receivables.

<i>Amounts in USD thousands</i>	2023	2022
Balance as of January 1	3,811	236
Change in expected credit loss	2,906	4,095
Unused amounts reversed	-24	-
Currency translation differences	54	-521
Balance as of December 31	6,747	3,811

Book value of trade payables and other current liabilities is approximately equal to fair value.

2.5 Employee benefits expenses

<i>Amounts in USD thousands</i>	2023	2022
Salaries and wages including holiday allowance	173,430	165,527
Social security tax / national insurance contribution	16,127	14,809
Pension costs	6,234	7,524
Other employee costs ¹⁾	22,847	25,411
Salaries, wages and social security costs	218,637	213,270
¹⁾ Other employee costs include employee recognition and rewards, employee training and development costs, employee safety and health programs and other benefits.		
<i>Average number of employees (FTE)</i>	2023	2022
Netherlands	-	-
Norway	595	672
Germany	216	221
United States	575	545
Brazil	213	194
Other countries	392	513
Total	1,991	2,144

Share-based payment program (equity-settled)

On January 31, 2022 the BoD of HHM Holding B.V. established an award program to management and certain employees to entitle them to a cash payment when certain strategic goals are achieved (Phantom program).

At grant date (January 31, 2022) the BoD awarded USD 10 million to the participants of the program based on an equity value of the Company of USD 600 million. The amount of the cash payment is determined based on the increase/decrease of the equity value of the Group. The program expires at the end of the a eight-year period after grant date. The program will fully vest in the event of change of control or initial public offering. The total carrying amount for this share based payment scheme as of December 31, 2023 is USD 6.2 million (2022: USD 3.5 million).

On September 1, 2022, the BoD of HHM Holding B.V. established a share-based incentive program covering certain key personnel employees to entitle them to a cash payment when certain strategic goals are achieved (LTI 2022 program).

At grant date (September 1, 2022) the BoD awarded USD 5 million to the participants of the program based on an equity value of the Company of USD 600 million. The program expires at the end of the a three-year period after grant date. The program will fully vest in the event of change of control or initial public offering. The total carrying amount for this share based payment scheme as of December 31, 2023 is USD 3.2 million (2022: USD 0).

In Q4 2023, HHM Management has reassessed that the Phantom and LTI 2022 share-based payment programs and concluded that the awards will most likely be settled in shares and not in cash as assessed earlier. As a result of this change in the expected settlement of these two awards, the Group has reassessed the accounting implications and concluded that it is a modification of these share-based programs. As a result of the modification, these two awards were reclassified from cash-settled to equity-settled awards on a prospective basis from the date of modification in the amount of USD 11,116 thousand. Based on changes in expectation of the settlement, it was reclassified from cash-settled to equity-settled with a resulting reclassification from liability to equity in the balance sheet. For the Phantom program, the update in the forfeiture rate indicated that difference between the carrying amount of the liability and the fair value recognized in equity was USD 1,149 thousand which was immediately recognized in profit or loss. For the LTI 2022 program, management concluded that there was no difference in the carrying amount of the liability and the fair value of the equity recorded; the profit or loss effect is null at the modification date.

On September 1, 2023, the BoD of HHM Holding B.V. established a share-based incentive program covering certain key personnel employees to entitle them to a equity payment when certain strategic goals are achieved (LTI 2023 program).

At grant date (September 1, 2023) the BoD awarded USD 5 million to the participants of the program based on an equity value of the Company of USD 700 million. The program expires at the end of the a three-year period after grant date. The total carrying amount for this share based payment scheme as of December 31, 2023 is USD 0.6 million (2022: USD 0).

For Key management remuneration see note 7.4 Management remuneration.

Pension plans

HHM pension costs represent the future pension entitlement earned by employees in the financial year. In a defined contribution plan the company is responsible for paying an agreed contribution to the employee's pension assets. In such a plan, this annual contribution is also the cost. In a defined benefit plan, it is the company's responsibility to provide a certain pension. The measurement of the cost and the pension liability for such arrangements is subject to actuarial valuations. The main pension liabilities relate to Norway and Germany. The welfare and support fund are closed for new entries. The welfare and support fund is recorded as other non-current liabilities and not as pension. See note 7.1.

Pension plans in Germany

The main pension arrangement in Germany is a general pension plan organized by the German Government. This arrangement provides the main general pension entitlement of all Germans. All pension arrangements by employers consequently represent limited additional pension entitlements. German employers are not obliged to provide an employment pension plan.

ATZ (Altersteilzeit) – early retirement arrangement

ATZ is an early retirement arrangement organized by German employers, Trade/Labor Unions in Germany and the German Government. The ATZ plan is providing additional lifelong pensions to employees that retire before the general retirement age, to compensate for the reduction of the ordinary pension entitlements. The employees are given a choice of retirement age, with lower pension at earlier retirement. The principle that during the current employment relationship the work performed by the employee is equivalent to the remuneration paid by the employer (principle of equivalence) and that there is therefore no impact on the balance sheet. This does not apply in the case of partial retirement.

2.5 Employee benefits expenses (Continued)

The backlog of performance in the block model of ATZ represents an obligation on the part of the employer. The employee has already performed work for which he/she has not yet received any remuneration. For the fee to be paid in the release phase, a provision must be made during the work phase and increased pro rata temporis until the release phase is reached.

According to commercial law, the top-up amounts to be paid must be set aside in full upon completion of the semi-retirement obligation. According to tax law, these are to be accumulated in installments like the arrears. Claims for reimbursement from the employment agency are to be offset against the provision for tax purposes, insofar as they are probable.

The estimated contributions expected to be paid to the German plan during 2024 amount to USD 790 thousand.

Pension plans in Norway

The main pension arrangement in Norway is a general pension plan organized by the Norwegian Government. This arrangement provides the main general pension entitlement of all Norwegian employees. All pension arrangements by employers consequently represent limited additional pension entitlements.

Norwegian employers are obliged to provide an employment pension plan, which can be organized as a defined benefit plan or as a defined contribution plan. The Norwegian companies in HHM have closed the earlier defined benefit plans in 2008 and are now providing defined contribution plans for all employees.

Defined benefit plan

Employees who were 58 years or older in 2008, when the change took place, are still in the defined benefit plan, which is a funded plan. There are no longer any active employees in this plan. The estimated contributions expected to be paid to the Norwegian plan during 2024 amount to USD 172 thousand.

Compensation plan

To ensure that the employees were treated fairly on the change over to the contribution plan in 2008, the Company introduced a compensation plan. The basis for deciding the compensation amount is the difference between calculated pension capital in the defined benefit plan and the value of the defined benefit plan at the age of 67 years. The compensation amount will be adjusted annually in accordance with the adjustment of the employees' pensionable income, and accrued interest according to market interest. If the employee leaves the company voluntarily before the age of 67 years, the compensation amount will be reduced.

AFP – early retirement arrangement

AFP is an early retirement arrangement organized by Norwegian employers, the main Labor Union organization in Norway (LO) and the Norwegian Government. The AFP plan is providing additional lifelong pensions to employees that retire before the general retirement age, to compensate for the reduction of the ordinary pension entitlements. The employees are given a choice of retirement age, with lower pension at earlier retirement.

The Norwegian Accounting Standards Board has issued a comment concluding that the AFP plan is a multi-employer defined benefit plan. The AFP plan exposes the participating entities to actuarial risk associated with employees of other entities with the result that there is no consistent and reliable basis for allocating the obligation, plan assets and costs to individual participating entities. Sufficient information is not available to use defined benefit accounting and the AFP plan is accounted for as a defined contribution plan.

Pension plans outside Norway and Germany

Pension plans outside Norway and Germany are predominately defined contribution plans and includes 1,184 employees in 2023 (2022: 1,021 employees). There are only two entities with significant defined benefit plan which is MHWirth AS (Norway) and MHWirth GmbH (Germany).

Pension cost

<i>Amounts in USD thousands</i>	<i>Note</i>	2023	2022
Defined benefit plans		206	388
Defined contribution plans including AFP		6,028	1,230
Total pension cost		6,234	1,618

Net employee defined benefit obligations

<i>Amounts in USD thousands</i>		2023	2022
Defined benefit plans Norway		9,083	9,428
Defined benefit plans Germany		8,947	9,333
Defined benefit plans other countries		1,124	36
Total employee benefit obligations		19,154	18,797

Movement in net defined benefit liability

<i>Amounts in USD thousands</i>		2023	2022
Liability as of January 1		18,797	26,627
Acquisition through business combinations	6.1	-	-
Disposals through sale of subsidiaries		-	-3,817

Included in profit / loss(-)

Service cost		206	388
Interest cost (income)		523	191
Total		729	580

Included in OCI

Remeasurement (loss) gain arising from			
- financial assumptions		112	-5,409
- experience adjustments		-212	2,435
- currency adjustments		88	-420
Total		-13	-3,395

Other

Benefits paid by the plan		-	-
Contributions paid into the plan		-361	-1,199
Total		-361	-1,199
Liability as of December 31		19,153	18,797

2.5 Employee benefits expenses (Continued)

The defined benefit plans are unfunded and consequently there are no pension plan assets to be disclosed.

As part of the agreement between Akastor and Baker Hughes at the time of the formation of the Group, Akastor is responsible for all pension liabilities accrued and unsettled pension liabilities pre October 1, 2021. HMH have booked a receivable in HMH Holding B.V. towards Akastor for their part of the total pension liability, see indemnification assets in note 7.3 Related party transactions.

Defined benefit obligation – actuarial assumptions

The Group's most significant defined benefit plans are in Norway and Germany. The followings are the principal actuarial assumptions at the reporting date for the plans in these countries.

	2023		2022	
	Norway	Germany	Norway	Germany
Discount rate	3.10%	1.83%	2.52%	1.78%
Salary progression	3.50%	n/a	3.75%	n/a
Pension indexation	1.80%	2.0%	1.84%	2.00%
Mortality table	K2013	RT 2018 G	K2013	RT 2018 G

The discount rates and other assumptions for Norway in 2023 and 2022 are based on the Norwegian high quality corporate bond rate and recommendations from the Norwegian Accounting Standards Board. It should be expected that fluctuations in the discount rates would also lead to fluctuations in the pension indexations. The total effect of fluctuations in economic assumptions is consequently unlikely to be very significant.

Assumptions regarding future mortality have been based on published statistics and mortality tables. The current life expectancy underlying the values of the defined benefit obligation at the reporting date is shown below.

Years	2023		2022	
	Norway	Germany	Norway	Germany
Life expectancy of males after pension	22.7	20.6	22.7	20.6
Life expectancy of females after pension	26.0	24.0	26.0	24.0

As of December 31, 2023, the weighted-average duration of the defined benefit obligation was 9.98 years (2022: 10.43 years).

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation as of December 31, 2023 and December 31, 2022 by the amounts shown below.

Amounts in USD thousands

Change in actuarial assumptions	Change in defined benefit obligation	
	Increase	Decrease
2023		
Discount rate (1% decrease/increase movement)	1,170	1,418
Future salary growth (1% increase/decrease movement)	1,292	1,278
Future pension growth (1% increase/decrease movement)	1,409	1,283
Change in actuarial assumptions	Change in defined benefit obligation	
	Increase	Decrease
2022		
Discount rate (1% decrease/increase movement)	1,424	1,750
Future salary growth (1% increase/decrease movement)	1,580	1,567
Future pension growth (1% increase/decrease movement)	1,739	1,572

2.6 Other operating expenses

<i>Amounts in USD thousands</i>	2023	2022
External consultants inclusive audit fees	31,505	45,823
Other costs for premises and equipment	32,287	33,566
Insurance	5,190	5,767
Travel expenses	5,127	4,231
Other	1,077	6177
Total other operating expenses	75,187	95,564

Fees to the auditors

The table below summarizes audit fees, as well as fees for audit related services, tax services and other services incurred by the Group during the periods for 2022 and 2023.

The following fees were charged by KPMG Accountants N.V. and the KPMG Network to the Company, its subsidiaries and other consolidated companies, as referred to in Section 2:382a(1) and (2) of the Dutch Civil Code.

<i>Amounts in USD thousands</i>	2023			2022		
	KPMG Accountant N.V	Other KPMG network	Total	KPMG Accountant N.V	Other KPMG network	Total
Audit	551	1,909	2,459	420	1,789	2,209
Other audit services	-	1,690	1,690	-	9	9
Tax advisory services	-	10	10	-	7	7
Other non-audit services	-	-	-	-	15	15
Total	551	3,608	4,159	420	1,820	2,240

The Group has also paid an audit fee of USD 134 thousand to other auditors in subsidiaries in 2023 (2022: USD 121 thousand).

The fees mentioned in the table for the audit of the financial statements (and other audit engagements) are related to the work performed during the reporting period by the external auditor.

2.7 Trade payables and other current liabilities**As of December 31**

<i>Amounts in USD thousands</i>	<i>Note</i>	2023	2022
Trade creditors		116,733	98,143
Accrued project related operating costs		116,452	132,968
Trade payables	4.2	233,185	231,111
Public duty and tax payables		9,427	11,620
Deferred settlement obligations		744	1,164
Other provisions	4.2	-	389
Total trade payables and other current liabilities		243,356	244,284

Book value of trade payables and other current liabilities is approximately equal to fair value.

Section 3 - Asset base

3.1 Property, plant and equipment

	Buildings and land	Machinery, equipment, software	Assets under construction	Total
<i>Amounts in USD thousands</i>				
<i>Historical cost</i>				
Balance as of January 1, 2023	155,278	82,171	1,398	238,847
Additions	6,173	2,505	5,439	14,116
Reclassifications ¹⁾	34	-3,943	124	-3,785
Transfer from assets under construction	-	1,453	-1,453	-
Disposals and scrapping	-	-345	-	-345
Currency translation differences	4,839	1,832	187	6,858
Balance as of December 31, 2023	166,325	83,672	5,695	255,692
<i>Accumulated depreciation</i>				
Balance as of January 1, 2023	-7,847	-13,325	-	-21,172
Depreciation for the period	-15,018	-3,876	-	-18,894
Disposals and scrapping	-	-226	-	-226
Currency translation differences	195	-762	-	-567
Balance as of December 31, 2023	-22,670	-18,188	-	-40,858
Book value as of January 1, 2023	147,431	68,846	1,398	217,675
Book value as of December 31, 2023	143,655	65,484	5,695	214,834

¹⁾ Reclassification from Property, plant and equipment to Intangibles

	Buildings and land	Machinery, equipment, software	Assets under construction	Total
<i>Amounts in USD thousands</i>				
<i>Historical cost</i>				
Balance as of January 1, 2022	152,377	78,512	651	231,540
Additions	999	5,444	1,091	7,534
Reclassifications ¹⁾	-44	1,778	-100	1,634
Transfer from assets under construction	-	168	-168	-
Disposals and scrapping	-	-28	-	-28
Currency translation differences	1,946	-3,703	-76	-1,832
Balance as of December 31, 2022	155,278	82,171	1,398	238,847
<i>Accumulated depreciation</i>				
Balance as of January 1, 2022	-989	-2,318	-	-3,306
Depreciation for the period	-6,147	-13,877	-	-20,025
Disposal and scrapping	-	26	-	26
Currency translation differences	-711	2,844	-	2,133
Balance as of December 31, 2022	-7,847	-13,325	-	-21,173
Book value as of January 1, 2022	151,388	76,194	651	228,233
Book value as of December 31, 2022	147,431	68,846	1,398	217,675

¹⁾ Reclassification of USD 1,634 thousand from Machinery, equipment and software to rights of use assets, see note 3.2 for details.

Depreciation

Estimates for useful life, depreciation method and residual values are reviewed annually. Assets are mainly depreciated on a straight-line basis over their expected economic lives as follows:

Machinery, equipment and software	3-16 years
Buildings	16-33 years

3.2 Right-of-use assets and related lease liabilities

Group as lessee

The Group has mostly property leases on a number of locations worldwide. The leases typically run for a period of 2-10 years and some of the leases have extension options. The Group has also an immaterial amount of lease agreements related to cars, machinery, IT equipment and office equipment. These leases have an average lease period of 2-3 years, generally with no renewal options included.

The Group applies the short-term lease recognition exemptions for leases of property or machinery with lease term of 12 months or less. Leases of IT equipment and office equipment are considered as leases of low-value assets. The right-of-use assets and lease liabilities are not recognized for short-term leases or leases of low-value assets.

The lease agreements do not impose any covenants or restrictions.

Group as lessee

Right-of-use assets

<i>Amounts in USD thousands</i>	2023	2022
Balance as of January 1	37,138	41,588
Depreciation	-6,212	-6,487
Additions	271	-
Remeasurement ¹⁾	3,327	4,393
Reclassification ²⁾	-	-1,633
Currency translation differences	-375	-723
Balance as of December 31	34,149	37,138

¹⁾ During 2023, HMM entered into five long-term lease agreements for office buildings in Norway, Dubai, and Abu Dhabi. All five lease agreements have been recognized in the HMM's financial statements according to IFRS 16 Leases.

²⁾ Reclassification of USD 1,633 thousand from Machinery, equipment and software to rights of use assets in 2022.

Lease liabilities

<i>Amounts in USD thousands</i>	2023	2022
Balance as of January 1	39,923	46,860
Cash flows, principal payments	-4,836	-6,439
Additions	271	-
Remeasurement ¹⁾	3,326	1,482
Reclassification ²⁾	-	-1,633
Currency translation differences	-1,345	-348
Balance as of December 31	37,339	39,923
Current lease liabilities	8,722	8,006
Non-current lease liabilities	28,617	31,917

¹⁾ During 2023, HMM entered into five long-term lease agreements for office buildings in Norway, Dubai, and Abu Dhabi. All five lease agreements have been recognized in the HMM's financial statements according to IFRS 16 Leases.

²⁾ Reclassification of USD 1,633 thousand from Machinery, equipment and software to rights of use assets in 2022.

The maturity analysis of lease liabilities is disclosed in note 4.1.

Lease payments recognized in the income statement

<i>Amounts in USD thousands</i>	2023	2022
Depreciation expense of right-of-use assets	8,126	6,487
Interest expense on lease liabilities	2,180	2,130
Expenses related to short-term leases	21	55
Expenses related to leases of low-value items	12,584	14,536
Total	22,910	23,207

<i>Amounts in USD thousands</i>	2023	2022
Lease payments	-6,923	-8,568
Short-term and low-value leases	-12,605	-3,091
Total lease cash flow	-19,528	-11,659

Lease liabilities expiring within the following periods from the balance dates:

Some property leases contain extension or termination options exercisable before the end of the non-cancellable period. They are used to maximize operational flexibility in terms of managing the assets used in the Group's operations. The extension and termination options held are exercisable only by the Group and not by the respective lessor. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension or termination options.

Most extension options in offices leases have not been included in the lease liability, because the Group expects to be able to replace the assets without significant cost or business disruption. Most of the early termination options are not considered in the lease term either as the Group assesses it as reasonably certain that the leases will not be terminated early. If the Group had exercised the extension options in significant property leases as of December 31, 2023, the Group estimates potential future lease payments (undiscounted) would have had an immaterial impact to the lease liability.

3.3 Intangible assets and goodwill

<i>Amounts in USD thousands</i>	<i>Note</i>	Development costs ¹⁾	Goodwill	Patents and rights	Customer Relations	Other intangible assets	Total
<i>Historical cost</i>							
Balance as of January 1, 2023		45,279	287,525	21,141	105,611	11,042	470,599
Additions from purchases		10,541	-	-	-	-	10,541
Reclassifications and other changes ²⁾		655	-	-	1,686	73	2,413
Currency translation differences		-486	322	-591	596	26	-133
Balance as of December 31, 2023		55,989	287,848	20,550	107,893	11,140	483,420
<i>Accumulated amortization and impairment</i>							
Balance as of January 1, 2023		-6,274	-	-4,500	-15,064	-809	-26,646
Amortization for the period		-5,444	-	-4,303	-9,423	-407	-19,577
Currency translation differences		-172	-	-87	-594	-27	-880
Balance as of December 31, 2023		-11,890	-	-8,890	-25,081	-1,242	-47,103
Net book value as of January 1, 2023		39,005	287,525	16,642	90,547	10,233	443,953
Net book value as of December 31, 2023		44,099	287,848	11,661	82,813	9,898	436,318
Useful life		3-5	Indefinite	3-5	3-5	3-5	

¹⁾ Our ongoing R&D efforts are being orchestrated across multiple locations, including Norway, Germany, and the United States. These activities are primarily centered on several areas:

- R&D in adjoining industries and miscellaneous software development initiatives
 - Collaborating with a prominent operator to formulate next-gen elastomers for sealing applications within the oilfield landscape, thereby extending beyond our current horizon
 - Develop a novel solution to reduce the number of accumulator bottles required to meet new regulatory requirements in the Gulf of Mexico
- New R&D efforts for 2023 and beyond include developing a fully electric BOP for both offshore surface (platforms and jack-ups) and subsea use.

²⁾ Reclassification from Property, plant and equipment to Intangibles.

<i>Amounts in USD thousands</i>	<i>Note</i>	Development costs	Goodwill	Patents and rights	Customer Relations	Other intangible assets	Total
<i>Historical cost</i>							
Balance as of January 1, 2022	8.1	43,310	286,570	19,594	105,255	4,541	459,270
Acquisition through business combinations	6.1	2,902	1,088	1,768	-	-	5,758
Additions from purchases		803	-	38	-	6,616	7,457
Disposal and scrapping		-865	-	-	-	-	-865
Disposals of subsidiaries		-47	-	-	-	-	-47
Currency translation differences		-824	-132	-259	356	-115	-974
Balance as of December 31, 2022		45,279	287,525	21,141	105,611	11,042	470,599
<i>Accumulated amortization and impairment</i>							
Balance as of January 1, 2022		-695	-	-884	-3,583	71	-5,092
Amortization for the period		-5,367	-	-3,767	-11,113	-831	-21,078
Disposal and scrapping		288	-	-	-	-31	258
Currency translation differences		-499	-	152	-367	-18	-733
Balance as of December 31, 2022		-6,274	-	-4,500	-15,064	-809	-26,646
Net book value as of January 1, 2022		42,615	277,157	18,710	101,672	4,612	444,765
Net book value as of December 31, 2022		39,005	287,525	16,642	90,547	10,233	443,953
Useful life		3-5	Indefinite	3-5	3-5	3-5	

Research and development costs

Research and development is acquired through business combinations.

Research and development costs that are not eligible for capitalization have been expensed in the period incurred and recognized as other operating expenses.

Amortization

Intangible assets other than goodwill have finite useful lives and are amortized over the expected economic life.

Goodwill

At December 31, 2023 the carrying amount of goodwill is USD 287,848 thousand (2022: USD 278,112 thousand). See note 3.4 Impairment testing of goodwill.

3.4 Impairment testing of goodwill

The impairment assessment was performed as of December 31, 2023, and no impairment deemed necessary.

Goodwill mainly arose from the formation of HMH Holding B.V in 2021 as this was considered to be a business combination and accounted for using the acquisition method. For the purpose of impairment testing, goodwill has been allocated to the groups of cash generating units as shown in the table below, which represents the lowest level at which goodwill is monitored in management reporting.

Please see note 2.2 Segment note for description of the operating segments.

<i>Amounts in USD thousands</i>	2023	2022
ESS	184,503	184,296
PCS	103,345	103,229
Total goodwill	287,848	287,525

Impairment testing for cash-generating units containing goodwill

The recoverable amount was based on value-in-use for December 31, 2023, estimated using discounted cash flows. The key assumptions used in the estimation of the recoverable amount are set out below. The values assigned to the key assumptions represent management's assessment of future trends in the oil and gas industries as well as management's expectations regarding margin, and have been based on historical data from both external and internal sources.

The cash flow projections are based on budget and strategic forecast for the periods 2024 - 2028. Beyond the explicit forecast period, the cash flows have been extrapolated using a constant growth rate.

EBITDA used represents the operating earnings before depreciation and amortization and is estimated based on the expected future performance of the existing businesses in their main markets. Assumptions are made regarding revenue growth, gross margins and other cost components based on historical experience as well as assessment of future market development and conditions. These assumptions require a high degree of judgment, given the significant degree of uncertainty regarding oilfield service activities in the forecast period.

Revenue growth The Group estimated a revenue for the year 2024 and growing at a compounded annual growth rate (CAGR) between 2024 and 2028. Revenue growth through 2026 is primarily driven by the expected recovery in commodity prices and the corresponding increase in rigs and drilling activity. Given the cyclicity of the industry, revenues beginning in 2028 for new projects were adjusted based on an inflated 5-year average to reflect a mid-cycle view and grown at 2% thereafter.

Terminal value growth rate The Group uses a constant growth rate of 2.0% (including inflation) for periods beyond the management's forecast period. The growth rates used do not exceed the growth rates for the oil and gas industry in which the CGU operates.

Discount rates are estimated based on Weighted Average Cost of Capital (WACC) for the industry in which the CGU operates. The risk-free interest rates used in the discount rates are based on the 10-year state treasury bond rate at the time of the impairment testing. Optimal debt leverage is estimated for each CGUs. The discount rates are further adjusted to reflect any additional short to medium term market risk considering current industry conditions.

2023	Discount rate after tax	Discount rate pre tax
Discount rate assumptions used in impairment testing	2023	
ESS	10.50%	8.4 %
PCS	10.50%	8.7 %
Other key assumptions	ESS	PCS
Compounded annual growth rate (CAGR for years 2024-2028)	6.8 %	2.5 %
Terminal growth rate	2.0 %	2.0 %
2022	Discount rate after tax	Discount rate pre tax
Discount rate assumptions used in impairment testing	2022	2022
ESS	12.9 %	10.3 %
PCS	12.9 %	10.7 %
Other key assumptions	ESS	PCS
Compounded annual growth rate (CAGR for years 2023-2027)	8.1 %	8.6 %
Terminal growth rate	2.0 %	2.0 %

Sensitivity to changes in assumptions

Management has identified that a reasonably possible change in two key assumptions could cause the carrying amount to exceed the recoverable amount. The following table shows the amount by which these two assumptions would need to change individually for the estimated recoverable amount to be equal to the carrying amount.

	Change required for carrying amount to equal recoverable amount	
	ESS	PCS
	2023	2023
Forecasted revenue growth 2024-2028 (percentage points)	-1.8 %	-3.0 %
Forecasted EBITDA margin, including terminal year (percentage points)	-8.2 %	-13.3 %

Section 4 - Financial instruments, risk and capital management

4.1 Financial risk management and exposures

The Group is exposed to a variety of financial risks: currency risk, interest rate risk, price risk, credit risk, liquidity risk, capital risk and climate risk. The capital market risk affects the value of financial instruments held. The objective of financial risk management is to manage and control financial risk exposures and thereby increase the predictability of earnings and minimize potential adverse effects on the Group's financial performance. The Group uses financial derivative instruments to hedge certain risk exposures and applies hedge accounting in order to reduce the profit or loss volatility.

Risk management is present in every contract. It is the responsibility of the project managers, with the support of HMH Treasury, to identify, evaluate and hedge financial risks under policies approved by the Board of Directors. The Group has established principles for overall risk management, as well as policies for the use of derivatives and financial investments. There have not been any changes in these policies during the period.

Currency risk

The Group operates internationally and is exposed to currency risk on commercial transactions, recognized assets and liabilities and net investments in foreign operations. In addition, contributions from subsidiaries in foreign currencies providing a currency exposure also at group level. Commercial transactions and recognized assets and liabilities are subject to currency risk when payments are denominated in a currency other than the respective functional currency of the group company. The Group's exposure to currency risk is primarily to EUR, GBP and NOK, but also other currencies.

HMH's policy requires business units to mitigate currency exposure in any contracts. HMH manages exposures by entering into forward contracts or currency options with the financial marketplace. HMH has a large number of contracts involving foreign currency exposures and the currency risk policy has been established.

The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency and amount of their respective cash flows. The Group assesses whether the derivative designated in each hedging relationship is expected to be and has been effective in offsetting changes in cash flows of the hedged item using the hypothetical derivative method. In these hedge relationships, the main sources of ineffectiveness can arise from changes to the forecasted amount of cash flows of hedged items and hedging instruments. The change in hedge reserve in 2022 is related to hedges of estimated future sales and purchases.

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates primarily relates to intercompany transactions between each subsidiary and HMH Holding B.V. (i.e., dividends and group contributions).

In the Group, there are three legal entities carrying currency risk. MHWirth AS has a currency risk USD to NOK, MHWirth GmbH with a currency risk USD to EUR, and MHWirth UK/HydriL PCB Limited which with a currency risk GBP to USD. The Group manages its foreign currency risk related to future transactions in signed customer and vendor contract by hedging transactions.

When a derivative is entered into for the purpose of being a hedge, the Group negotiates the terms of the derivative to match the terms of the hedged exposure. For hedges of forecast transactions, the derivative covers the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency.

The following tables demonstrate the sensitivity on financial instruments in foreign currency at end of the periods, to a reasonably possible change in USD, EUR, GBP and NOK exchange rates, with all other variables held constant. This is the best estimate of the currency exposure, given that all major currency exposure is hedged in accordance with the Group's policy. The net exposure is managed by HMH Treasury. The Group's exposure to foreign currency changes for all other currencies is not material.

Year	Change in NOK rate	Effect on profit before tax ¹ USD 000	Effect on pre-tax equity (OCI) ² USD 000
2023	+10%	1,747	-97
	-10%	-2,135	119
2022	+10%	-420	-420
	-10%	514	514
Year	Change in EUR rate	Effect on profit before tax ¹ USD 000	Effect on pre-tax equity (OCI) ² USD 000
2023	+10%	-48	1
	-10%	58	-1
2022	+10%	182	182
	-10%	-222	-222
Year	Change in GBP rate	Effect on profit before tax ¹ USD 000	Effect on pre-tax equity (OCI) ² USD 000
2023	+10%	-1,928	-
	-10%	2,357	-
2022	+10%	812	812
	-10%	-992	-992

¹) Effect on profit before tax is calculated as change in profit before tax in specific entity when changing currency rate with 10%.

²) The OCI effect is calculated as the change in fair value of the cash flow hedge when shifting currency rate 10% up and 10% down. Only the separate equity is disclosed, i.e. excluding impact through comprehensive impact.

4.1 Financial risk management and exposures (continued)

Interest rate risk

The group's interest rate risk arises from cash balances, interest-bearing borrowings and interest-bearing receivables. Borrowings and receivables issued at variable rates as well as cash expose the group to cash flow interest rate risk. Borrowings and receivables issued at fixed rates expose the group to fair value interest rate risk.

As of December 31, 2023, the group has three main loans exposed for interest rate risk with a total value of USD 342 million. The majority are loans at fixed rates, hereunder an USD 200 million senior secured bond and USD 120 million of shareholder loans. As of December 31, 2022, the Group had three main loans exposed for interest rate risk with a total value of USD 305 million. USD 108 million out of the total USD 305 million was a shareholder loan with fixed interest.

An increase of 100 basis points in interest rates at December 31, 2023 would have decreased equity and profit and loss by USD 0.2 million. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

A decrease of 100 basis points in interest rates during 2023 would have had the equal but opposite effect on the above amounts, on the basis that all other variables remain constant.

An increase of 100 basis points in interest rates at December 31, 2022 would have decreased equity and profit and loss by USD 2.0 million. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. A decrease of 100 basis points in interest rates during 2022 would have had the equal but opposite effect on the above amounts, on the basis that all other variables remain constant.

Obligations

HMH has provided the following guarantees on behalf of subsidiaries and related parties as of December 31, 2023 (estimated remaining exposure as of December 31, 2023):

Performance and advance payment guarantees issued on behalf of Group companies are USD 61 million (2022: USD 8 million).

Price risk

The Group is exposed to fluctuations in market prices in the operational areas related to contracts, including changes in market prices for raw materials, equipment and development in wages. These risks are to the extent possible managed in bid processes by locking in committed prices from vendors as a basis for offers to customer or through escalation clauses with customers.

Credit risk

Credit risk is the risk of financial losses to the Group if customer or counterparty to financial investments/instruments fails to meet contractual obligations and arise principally from investment securities and receivables.

Derivatives are only traded against approved banks. All approved banks have investment grade ratings. Credit risk related to investment securities and derivatives are therefore considered to be insignificant.

Cash and cash equivalents are held with banks. The Group considers credit risk on its cash and cash equivalents to be insignificant.

Assessment of credit risk related to customers and subcontractors is an important requirement in the bid phase and throughout the contract period. Such assessments are based on credit ratings, income statement and balance sheet reviews and using credit assessment tools available (e.g. Dun & Bradstreet and Credit Watch). Sales to customers are settled in cash. Normal credit terms are 30-90 days.

Revenues are mainly related to large and long-term projects closely followed up in terms of payments up front and in accordance with agreed milestones. Normally, lack of payments is due to disagreements related to project deliveries and is solved together with the customer or escalated to the local authority.

Based on estimates of incurred losses in respect of trade receivables and contract assets, the Group establishes a loss allowance. Loss allowance on debtors are based on individual assessments of potential risks of default and relevant forward-looking information, refer to note 1.2 Significant accounting policies, Impairment. Loss allowance on receivables were USD 6.8 million as of December 31, 2023 (2022: USD 3.8 million)

The Group evaluates that credit risk concentrations are related to trade receivables from major corporate customers in the oil and gas industry. The counterparties of HMH are within drilling and oil business and are larger companies with longer history with either the PCS or ESS business. The maximum exposure to credit risk at the reporting date equals the carrying amounts of financial assets. The Group does not hold collateral as security. Contract assets and liabilities are stated in note 2.1. See note 2.2 and 2.4 for additional information about major customers.

The Group has the largest concentration of trade receivable and contract assets in United States and Norway representing 28% and 48%, respectively, (2022: 31% and 37%, respectively). The Group regularly monitors the credit risk related to geographical regions, its customer basis and project profile to reduce the related risk of contract assets and trade receivable.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities. The Group manages its liquidity to ensure that it will always have sufficient liquidity reserves to meet its liabilities when due.

Prudent liquidity risk management includes maintaining sufficient cash, the availability of funding from an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, HMH Treasury maintains flexibility in funding by maintaining availability under committed credit lines as shown in note 4.3.

A portion of the Company's cash reserves is held in accounts domiciled in China. Due to regulatory restrictions and foreign exchange controls in China, the transfer of cash from China to other jurisdictions may be subject to limitations and delays. Consequently, the Company may face challenges in accessing these funds when needed.

The Group policy for the purpose of optimizing availability and flexibility of cash within the Group is to operate a centrally managed cash pooling arrangement. An important condition for the participants (business units) in such cash pooling arrangements is that the Group as an owner of such pools is financially viable and is able to prove its capability to service its obligations concerning repayment of any net deposits made by business units. Management monitors rolling weekly and monthly forecasts of the Group's liquidity reserve on the basis of expected cash flow.

Climate risk and opportunities

The Group does not expect that climate risk will significantly impacts its business and financials in the near future.

Related to current and potential effects of climate change, HMH management has considered the following main assumptions, judgments and estimates in preparing the 2023 consolidated financial statements.

The HMH Group objective is to be a premium drilling solution provider, and is therefore exposed to an inherent climate change risk in the oil and gas industry value chain. Climate risk in the oil and gas industry is both physical and transitional, whereas HMH Group is mainly exposed to transitional climate risk.

The Group recognizes that there is uncertainty in estimates and in assessments of climate risk in the oil and gas industry and how the industry will gradually transition away from fossil energy production. The Group assesses that such transition will be led by its customers, i.e. the oil and gas producers, but that the transition also will expose the Group to climate related risks and opportunities. Group management has assessed the effect of climate change risk on order reserves for current product lines, availability and cost of raw materials going into production, hereunder current and future regulatory developments (e.g. carbon tax, biodiversity tax), and production facilities and other tangible and intangible assets.

4.1 Financial risk management and exposures (continued)

The majority of HMM's revenue stream is recurring and resilient through industry cycles and market developments are expected to be strong in the short to medium term. Onshore and offshore drilling activities are on high levels and complementary activities in mining are seeing increased order intake. Suggesting that the oil and gas industry transition is not affecting the Group's short to medium term revenues and order reserves. HMM's reliance on raw materials such as rubber, steel and aluminium may be affected by an increase in climate change regulation such as carbon taxes or border adjustment mechanisms. However, management assesses that such increased costs will be subject to a significant degree of price elasticity, passing the cost through to the end user. HMM's production facilities and tangible assets might also be affected by climate risk, specifically physical climate risk. Current assessments of such facilities and assets show no indication of climate risk significantly affecting financial value.

As the oil and gas industry will transition away from fossil fuels, HMM's products and services will consequentially be affected. In the short and medium term, climate efficiency of our products and services may represent risks of losing market share (lack of climate efficiency), but simultaneously present opportunities to develop such products and services (increased climate efficiency). In the longer term, management sees a greater climate risk through transition of the oil and gas industry, however, the potential financial effects of long-term climate change risks are too uncertain to assess.

As of December 31, 2023, management assesses that there are no significant climate change risks affecting the consolidated financial statements, but will continue to monitor and assess the actual and potential effects of climate risk going forward.

Financial liabilities and the period in which they mature

The following is the remaining contractual maturities of financial liabilities at the reporting dates. The amounts are gross and undiscounted and include contractual interest payments and exclude the impact of netting agreements.

As of December 31, 2023

Amounts in USD thousands	Note	Book value	Net cash flow	6 months		1-2 years	2-5 years	More than 5 years
				and less	6-12 months			
2023								
Non-current borrowings ¹⁾	4.8	315,175	415,804	9,880	9,880	19,760	376,284	-
Current borrowings	4.8	25,453	24,590	24,590	-	-	-	-
Lease liabilities	3.2	37,339	37,339	3,258	3,258	5,229	13,032	13,166
Other non-current liabilities		11,359	1,945	-	-	1,945	-	-
Derivative financial instruments		1,326	1,326	1,032	223	71	-	-
Trade and other payables	2.7	243,356	245,690	245,690	-	-	-	-
Total financial liabilities		634,008	726,693	284,449	13,361	27,006	389,316	13,166

¹⁾ The bond loan of USD 150 million had been refinanced by a new bond loan of USD 200 million. See note 4.8 for more information.

As of December 31, 2022

Amounts in USD thousands	Note	Book value	Net cash flow	6 months		1-2 years	2-5 years	More than 5 years
				and less	6-12 months			
2022								
Non-current borrowings ²⁾	4.8	262,640	314,169	-	-	26,308	287,862	-
Current borrowings ¹⁾	4.8	39,204	40,042	24,486	15,556	-	-	-
Lease liabilities		39,922	42,829	4,463	4,463	6,975	12,924	14,004
Other non-current liabilities		5,620	5,620	-	-	5,137	369	114
Derivative financial instruments		5,967	5,967	1,193	4,774	-	-	-
Trade and other payables	2.7	244,722	244,722	244,722	-	-	-	-
Total financial liabilities		598,075	653,350	274,865	24,793	38,419	301,155	14,118

¹⁾ The bridge loan of USD 150 million had a maturity date in Q1 2022, had been replaced by a bond loan with new terms and conditions. Interest rate according to Bridge facilities has been used for cash flow estimates.

²⁾ Shareholder loans of USD 100 million will not be settled prior to external debt, earliest maturity date is set to October 1, 2025. The loans have an interest rate of 8%.

4.2 Financial instruments

Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value. For financial instruments measured at fair value, the levels in the fair value hierarchy are as shown below.

Level 1 - Fair values are based on prices quoted in an active market for identical assets or liabilities.

Level 2 - Fair values are based on price inputs other than quoted prices derived from observable market transactions in an active market for identical assets or liabilities. Level 2 includes currency or interest derivatives and interest bonds, typically when the Group uses forward prices on foreign exchange rates or interest rates as inputs to valuation models.

Level 3 - Fair values are based on unobservable inputs, mainly based on internal assumptions used in the absence of quoted prices from an active market or other observable price inputs.

<i>Amounts in USD thousands</i>	<i>Note</i>	Carrying amount	Financial instruments measured at fair value	Level in fair value hierarchy
As of December 31, 2023				
Financial assets measured at fair value				
<i>Fair value- hedging instruments</i>				
Derivative financial instruments	4.5	2,759	2,759	Level 2
Financial assets not measured at fair value				
<i>Financial assets at amortized cost</i>				
Cash and cash equivalents	4.3	62,524		
Current financial assets ¹⁾	7.3	1,500		
Trade receivables and other current assets	2.4	178,205		
Financial assets		244,988	2,759	

The fair value (Level 3) of the seller's credit against Akastor AS on proceeds from the sales or liquidation of Step Oiltools B.V. is USD 0 million as of December 31, 2023, see details in note 6.2.

¹⁾ Current portion of the indemnification assets of USD 1,500 thousand. See note 7.3 for more information.

<i>Amounts in USD thousands</i>	<i>Note</i>	Carrying amount	Financial instruments measured at fair value	Level in fair value hierarchy
As of December 31, 2023				
Financial liabilities measured at fair value				
<i>Fair value – hedging instruments</i>				
Derivative financial instruments	4.5	1,326	1,326	Level 2
Financial liabilities not measured at fair value				
<i>Financial liabilities at amortized cost</i>				
Borrowings	4.8	340,628		
<i>Other financial liabilities</i>				
Other non-current liabilities	7.1	11,359		
Trade payables and other current liabilities	2.7	243,356		
Provisions	7.2	18,897		
Financial liabilities		615,566	1,326	

<i>Amounts in USD thousands</i>	<i>Note</i>	Carrying amount	Financial instruments measured at fair value	Level in fair value hierarchy
As of December 31, 2022				
Financial assets measured at fair value				
<i>Fair value- hedging instruments</i>				
Derivative financial instruments	4.5	3,703	3,703	Level 2
Financial assets not measured at fair value				
<i>Financial assets at amortized cost</i>				
Cash and cash equivalents	4.3	47,336		
Current financial assets	7.3	1,426		
Trade receivables and other current assets	2.4	172,537		
Provisions	7.2	16,487		
Financial assets		241,490	3,703	

The fair value (Level 3) of the seller's credit against Akastor AS on proceeds from the sales or liquidation of Step Oiltools B.V. has been remeasured to USD 0 million as of December 31, 2022, see details in note 6.2.

4.2 Financial instruments (continued)

<i>Amounts in USD thousands</i>	<i>Note</i>	Carrying amount	Financial instruments measured at fair value	Level in fair value hierarchy
As of December 31, 2022				
Financial liabilities measured at fair value				
<i>Fair value – hedging instruments</i>				
Derivative financial instruments	4.5	5,967	5,967	Level 2
Financial liabilities not measured at fair value				
<i>Financial liabilities at amortized cost</i>				
Borrowings	4.8	301,843		
<i>Other financial liabilities</i>				
Other non-current liabilities	7.1	15,033		
Trade payables and other current liabilities	2.7	244,284		
Provisions	7.2	16,487		
Financial liabilities		583,615	5,967	

4.3 Cash and cash equivalents

As of December 31		
<i>Amounts in USD thousands</i>	2023	2022
Restricted cash	607	180
Interest-bearing cash deposits	61,917	47,157
Total cash and cash equivalents	62,524	47,336

Additional undrawn committed current bank revolving credit facilities amount to USD 33 million with cash and cash equivalents gives a total liquidity reserve of USD 95.5 million as of December 31, 2023 (2022: USD 124.3 million). See also note 4.8 Borrowings.

Interest-bearing cash deposits included under cash and cash equivalents only represent deposits that are available on demand.

4.4 Finance income and finance expenses

<i>Amounts in USD thousands</i>	Note	2023	2022
Interest income on bank deposits		2,592	2,401
Interest income on finance lease receivables		92	-
Foreign exchange gain		11,362	7,995
Other finance income		-277	2,960
Finance income		13,769	13,355
Interest expense on financial liabilities measured at amortized cost		-41,635	-28,864
Refinancing costs		-7,207	-
Interest expense on lease liabilities		-2,180	-2,130
Loss on foreign currency forward contracts		-	-247
Foreign exchange loss		-10,698	-14,847
Other financial expenses		-2,162	-5,367
Finance expenses		-63,882	-51,453
Net finance expenses recognized in profit and loss		-50,113	-38,098
Profit / loss(-) from equity-accounted investees		-	168

4.5 Derivative financial instruments

Derivative financial instruments are classified as current assets or liabilities as they are a part of the operating cycle. Information regarding risk management policies in the Group is available in note 4.1 Financial risk management and exposures.

Fair value of derivative instruments with maturity

The table below presents the fair value of the derivative financial instruments and a maturity analysis of the derivatives cash flows. Valuation techniques and inputs of forward contracts are based on the quoted forward exchange rate.

<i>Amounts in USD thousands</i>	Total	Maturity		
		6 months and less	6-12 months	1-2 years
As of December 31, 2023				
Foreign exchanges forward contracts to hedge highly probable forecasted sales				
Notional amounts USD	9,123	3,693	4,001	1,429
Average forward rate (USD/NOK)		10.50	10.72	10.43
Foreign exchanges forward contracts to hedge highly probable forecasted purchases				
Notional amounts EUR	8,596	8,344	223	29.00
Average forward rate (EUR/NOK)		10.90	11.48	11.33
Foreign exchanges forward contracts to hedge highly probable forecasted purchases				
Notional amounts EUR	9,327	9,002	325	-
Average forward rate (EUR/USD)		1.10	1.11	-
<i>Amounts in USD thousands</i>	Total	Maturity		
		6 months and less	6-12 months	1-2 years
As of December 31, 2022				
Foreign exchanges forward contracts to hedge highly probable forecasted sales				
Notional amounts USD	16,164	6,035	9,098	1,031
Average forward rate (USD/NOK)		9.12	9.32	9.53
Foreign exchanges forward contracts to hedge highly probable forecasted purchases				
Notional amounts EUR	801	29	273	499.97
Average forward rate (EUR/NOK)		10.44	10.47	10.46

Foreign exchange derivatives

HMH entities hedge the Group's future transactions in foreign currencies with external banks. The foreign exchange derivatives are subject to hedge accounting. Hedges qualifying for hedge accounting are classified as cash flow hedges (hedges of highly probable future revenues and/or expenses).

The hedged transactions in foreign currency that are subject to cash flow hedge accounting are highly probable future transactions expected to occur at various dates during the next one to four years, depending on progress in the projects. Gains and losses on forward foreign exchange contracts are recognized in other comprehensive income and reported as hedging reserve in equity until they are recognized in the income statement in the period or periods during which the hedged transactions affect the income statement. If the forward foreign exchange contract is rolled due to change in timing of the forecasted cash flow, the settlement effect is included in Contract assets or Contract liabilities.

4.5 Derivative financial instruments (continued)**Hedging reserve**

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of hedging instruments used in cash flow hedges pending subsequent recognition in profit or loss as the hedged cash flows affect profit or loss.

The purpose of the hedging instrument is to secure a situation where the hedged item and the hedging instrument together represent a predetermined value independent of fluctuations of exchange rates. Revenue and expense on the underlying construction contracts are recognized in the income statement in accordance with progress. The positive USD 1,098 thousand that are currently recorded directly in the hedging reserve, will be reclassified to income statement (2022: negative USD 1,760 thousand)

The currency hedge is revaluated every month covering the coming 3-month period.

<i>Amounts in USD thousands</i>	2023	2022
Net fair value of all hedging instruments (assets / liability (-))	1,433	-2,264
Deferred in equity (the hedge reserve)	1,098	-1,769

The following table provides a reconciliation by risk category of components of equity and analysis of OCI items, net of tax, resulting from cash flow hedge accounting.

<i>Amounts in USD thousands</i>	Hedging reserve	
	2023	2022
Balance as of January 1	-1,769	1,063
Change in fair value		
Change in foreign currency risk	3,688	-2,042
Tax on movement on reserve during the year	-821	-790
Balance as of December 31	1,098	-1,769

4.6 Capital management

HMH's capital management is designed to ensure that the Group has sufficient financial flexibility, short-term and long-term. One main objective is to maintain a financial structure that, through solidity and cash flow, secures the Group's strong long-term creditworthiness, as well as maximize value creation for its shareholders through:

- Investing in projects and business areas which will increase the Company's Return On Capital Employed (ROCE) over time.
- Optimizing the Company's capital structure to ensure both sufficient and timely funding over time to finance its activities at the lowest cost.

Funding policy

Liquidity planning

HMH has a strong focus on its liquidity situation in order to meet its short-term working capital needs and to ensure solvency for its financial obligations. HMH had a liquidity reserve as of December 31, 2023 of USD 95.5 million (2022: USD 124.3 million), composed of undrawn committed credit facilities of USD 33 million (2022: USD 77 million) and cash and cash equivalents of USD 62.5 million (2022: USD 47.3 million).

Funding of operations

HMH's Group funding policy is that subsidiaries should finance their operations with the treasury department (HMH Treasury). This ensures optimal availability and transfer of cash within the Group and better control of the Company's overall debt as well as cheaper funding for its operations.

Funding duration

HMH emphasizes financial flexibility and steers its capital structure accordingly to limit its liquidity and refinancing risks. In this perspective, loans and other external borrowings are to be renegotiated well in advance of their due date and generally for periods of 3 to 5 years.

Funding cost

HMH aims to have diversified funding sources in order to reach the lowest possible cost of capital. These funding sources might include, but are not limited to:

- The use of banks based on syndicated credit facilities.
- The issue of debt instruments in the Norwegian capital market.
- The issue of debt instruments in foreign capital markets.

Ratios used in monitoring of capital/covenants

HMH monitors capital on the basis of a gearing ratio (net debt/equity) and interest coverage ratio (ICR) based on adjusted EBITDA which is rolling 4 quarter EBITDA where EBITDA is according to definition of HMH Non-GAAP measure in the Group Management Report. These ratios are similar to covenants as defined in loan agreements for the revolving credit facilities which are shown below. See note 4.8 Borrowings for details about these loans.

- The company's gearing ratio shall be less than 1.0 times and is calculated from the consolidated total net borrowings to the consolidated Equity.
- The Interest Cover Ratio shall be greater than 2.5x, calculated from the consolidated LTM EBITDA to net interest expenses which means consolidated Finance Costs less the amount of interest income received by or accrued during a Relevant Period.
- Minimum liquidity amount shall be at least USD 30 million on consolidated level. This includes the available undrawn multi-currency revolving credit facility.
- Relevant Period means each period of twelve (12) consecutive calendar months ending on the last day of the preceding financial quarter.

The ratios are calculated based on net debt including cash and borrowings as shown in note 4.8 Financial instruments, LTM EBITDA (earnings before interest, tax, depreciation, amortization) and net interest costs, however adjusted for certain items as defined in the loan agreement. Covenants ratios are based on accounting principles as of December 31, 2023.

The covenants are monitored on a regular basis by the HMH Treasury department to ensure compliance with the loan agreements and are tested and reported on a quarterly basis. HMH was in compliance with its covenants as of December 31, 2023 and December 31, 2022.

4.7 Capital and reserves

Share capital

HMH B.V. has class A and class B shares, with equal rights for all shares. The holders of ordinary shares are entitled to receive dividends and are entitled to one vote per share at General Meetings. Total outstanding shares are 200 at par value EUR 1 per share. On October 1, 2021, the Group issued Titan share A (50 shares), Titan share B (50 shares), Bear share A (50 shares) and Bear share B (50 shares) all at par value EUR 1. All issued shares are fully paid.

The shareholders are Baker Hughes Holdings LLC (50%), Akastor ASA (25%), and Mercury HoldCo Inc (25%). Akastor ASA fully owns Akastor AS and Mercury HoldCo Inc. According to the shareholders' agreement between Baker Hughes and Akastor, the shareholders have joint control of MHH Holding B.V. and its subsidiaries.

Share Capital of EUR 200 consist of 200 shares at par value EUR 1.00 In 2022 and 2023, there have been no change in number of shares issued or change in the Group's share capital.

Issued capital and reserves

Share capital	Number of shares authorized and fully paid	Par value per share EUR	Financial Position (EUR)
At January 1, 2023	200	1.00	200
At December 31, 2023	200	1.00	200

Issued capital and reserves

Share capital	Number of shares authorized and fully paid	Par value per share EUR	Financial Position (EUR)
At January 1, 2022	200	1.00	200
At December 31, 2022	200	1.00	200

Hedging reserve

The hedging reserve relates to cash flow hedges of future secured revenues and expenses against exchange rate fluctuations. The income statement effects of such instruments are recognized in accordance with the progress of the underlying construction contract as part of revenues or expenses as appropriate. The hedging reserve represents the value of such hedging instruments that is not yet recognized in the income statement. The underlying nature of a hedge is that a positive value on a hedging instrument exists to cover a negative value on the hedged position, see note 4.5 Derivative financial instruments

Pension remeasurement reserve

The pension remeasurement reserve includes the effect of remeasurement of pension obligations arising due to change in assumptions, such as discounts rates and experience adjustments.

Amounts in USD thousands	2023	2022
Balance as of January 1	2,019	-737
Other comprehensive income, net of tax	17	2,756
Balance as of December 31	2,036	2,019

See note 2.5 for more information relating to pension obligations.

Share-based payments reserve

The Group has employee share-based payment programs and recognizes the resulting increase in equity as services are received from employees in a separate reserve known as the Share-based Payment Reserve within equity. In 2023, the Group determined that the Phantom, LTI 2022, and LTI 2023 share-based programs are most likely to be settled in shares. See details in note 2.5.

Currency translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations, as well as the effective portion of any foreign currency differences from hedges of net investments in foreign operations.

The currency translation reserve includes exchange differences arising from the translation of the net investments in foreign operations. Upon the disposal of investments in foreign operations or liquidation of such entities, the accumulated currency translation differences related to these entities are reclassified from the currency translation reserve to the income statement.

For the purpose of the Group's capital management, capital includes issued capital, and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Group's capital management is to ensure that it maintains a healthy working capital and financial stability in order to support its growing business operations and to maximize shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders, issue new shares, perform prepayments of debt or draw on short-term credit.

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it reinvests or returns excess cash flows from operations that are not necessary to maintain a healthy operating working capital to its investors. There has been no breach of the financial covenants in the current or previous period. Reference is made to note 4.6 Capital management.

4.8 Borrowings

Below are contractual terms of the Group's interest-bearing loans and borrowings which are measured at amortized cost. For more information about the Group's exposure to interest rates, foreign currency and liquidity risk, see note 4.1 Financial risk management and exposures.

As of December 31, 2023

<i>Amounts in USD thousand</i>	Currency	Nominal currency value	Carrying amount (USD)	Interest rate margin	Fixed rate	Maturity date	Interest terms
Bond loan HMM01	USD	-	-	7.00%		Feb 2025	LIBOR + Margin
Bond loan HMM02	USD	200,000	198,928		9.88%	Nov 2026	Fixed rate
Shareholder loan	USD	119,587	119,587		8.00%	Oct 2027	Fixed rate
Revolving Credit Facility (USD 80 million)	USD	-	-	4.00%		Feb 2024	LIBOR + Margin
Revolving Credit Facility 2023 (USD 50 million)	USD	22,000	21,128	3.75%		May 2026	SOFR + Margin
Credit line China	RMB	7,704	984			Jul 2024	China LPR - 0.4%
Total borrowings			340,628				
Current borrowings			25,453				
Non-current borrowings			315,175				
Total borrowings			340,628				

HMM Holding B.V. is the direct borrower of all of the loans above.

Bank debt and bonds

The revolving credit facilities are provided by a bank syndicate consisting of high-quality Nordic and international banks, consisting of: DNB Markets, a part of DNB Bank ASA and Nordea Bank Abp, filial i Norge. The terms and conditions include restrictions which are customary for these kinds of facilities, including inter alia negative pledge provisions and restrictions on acquisitions, disposals and mergers, dividend distribution and change of control provisions.

The Bond loan (ISIN code: NO0012428996) was refinanced on November 30, 2023. HMM Holding BV issued on November 30, 2023 a bond (ISIN code: NO0012428996) of USD 200 million with a 3-year tenor and a fixed coupon of 9.88 % per annum. The Group intends to list the bond on the Oslo Stock Exchange in Q3 2024. The terms and conditions include restrictions which are customary for these kinds of debt instruments, including inter alia negative pledge provisions and restrictions on acquisitions, disposals and mergers, dividend distribution and change of control provisions. For information about financial covenants see note 2.5.

The existing bond was repaid at 104.71562% of the nominal amount (plus accrued and unpaid interest of the redeemed amount) on November 28, 2023.

Fair values

The fair value of the bond loan HMM 02 was based on DNB Markets High Yield Bond Market Update – Shipping and Offshore Oil Field Services report published January 8, 2024. The fair value of the Bond derived from the DNB Markets report amounts to 101.13%. For the loans with floating interest (all except for the shareholder loans) management assessed that the nominal amount is good approximation of fair value as the interest expected back reflected through the floating interest. For the shareholder loans the carrying amount is approximately the fair value as this is based on paid in kind interest and what the Company would pay back to the owners at the maturity. The interest of 8% is reasonable and similar to other external borrowings. Lastly, management assessed that carrying amount of the financial assets is approximate the fair value as the interest derived from the market value. Therefore, management followed the IFRS 7.29(a), 13.BC138A, and concluded that the fair values of financial assets and liabilities (long-term liabilities and receivables) carried at amortized cost are approximate their fair values since the effect of discounting is expected to be immaterial.

Reconciliation of liabilities arising from financing activities

<i>Amounts in USD thousand</i>	January 1, 2023	Non-cash effect ¹⁾	Cash flows	Deferred Interest	Amortization	Capitalized borrowing costs ³⁾	December 31, 2023
Term loan facility	35,684	-	-39,226	-	3,542	-	-
Bond loan HMM01 ¹⁾	147,858	-39,941	-110,059	-	2,142	-	-
Bond loan HMM02	-	39,941	160,059	2,469	101	-3,642	198,928
Shareholder loan ²⁾	110,266	-	-	9,321	-	-	119,587
Revolving Credit Facilities	8,035	-	-8,035	-	-	-	-
Revolving credit facilities 2023	-	-	22,000	-	25	-897	21,128
Credit Line China	-	-	984	-	-	-	984
Total liabilities arising from financing activities	301,843	-	25,723	11,790	5,810	-4,539	340,628

¹⁾ The bond loan of USD 150 million loan (ISIN code: NO0012428996) had been refinanced by an issue of a new bond loan of USD 200 million (ISIN code: NO0012428996) in 2023. Amount of USD 39.9 million is total rollover from previous bond to new bond.

²⁾ As part of the consideration paid to Akastor and Baker Hughes in relation to the creation of the joint venture, it was established a shareholder loan by Akastor and Baker Hughes. The total amount of the shareholder loan is USD 100 million and the Group will not settle the shareholder loan prior to external debt. Earliest maturity date is set to October 1, 2027. USD 20 million of the loan relates to Akastor, and remaining USD 80 million is a loan in 2021 from Baker Hughes to HMM.

³⁾ Capitalized borrowing costs relate to the amortized costs calculation of the loans.

As of December 31, 2022

<i>Amounts in USD thousand</i>	Currency	Nominal currency value	Carrying amount (USD)	Interest rate margin	Fixed rate	Maturity date	Interest terms
Revolving credit facility (USD 80 million)	USD	8,000	8,035	4.00%		Feb 2024	LIBOR + Margin
Bond loan	USD	150,000	147,858	7.00%		Feb 2025	LIBOR + Margin
Term loan Tranche A	USD	29,167	26,838	3.75%		Feb 2024	LIBOR + Margin
Term loan Tranche B	USD	9,722	8,846	4.75%		Feb 2024	LIBOR + Margin
Shareholder loan	USD	110,266	110,266		8.00%	Feb 2026	Fixed rate
Total borrowings			301,843				
Current borrowings			39,204				
Non-current borrowings			262,640				
Total borrowings			301,843				

HMM Holding B.V. is the borrower of all of the loans above

4.8 Borrowings (continued)

Bank debt

The revolving credit facilities are provided by a bank syndicate consisting of high-quality Nordic and international banks, consisting of: DNB, HSBC Continental Europe, Nordea Bank Abp and Skandinaviska Enskilda Banken AB. The terms and conditions include restrictions which are customary for these kinds of facilities, including inter alia negative pledge provisions and restrictions on acquisitions, disposals and mergers, dividend distribution and change of control provisions. For information about financial covenants, see note 4.6 Capital management.

Reconciliation of liabilities arising from financing activities

<i>Amounts in USD thousand</i>	January 1, 2022	Cash flows	Deferred Interest	Amortization	Capitalized borrowing costs ²⁾	December 31, 2022
Term loan	66,140	-30,810	-	592	-237	35,684
Bridge loan facility ²⁾	148,808	-150,000	-	1,193	-	-
Bond loan	-	150,000	-	740	-2,882	147,858
Shareholder loan	102,000	-	8,266	-	-	110,266
Revolving Credit Facilities	-	8,000	35	-	-	8,035
Total liabilities arising from financing activities	316,947	-22,810	8,301	2,524	-3,119	301,843

¹⁾ As part of the consideration paid to Akastor and Baker Hughes in relation to the creation of the joint venture, it was established a shareholder loans to Akastor and Baker Hughes. The total amount of the shareholder loan is USD 100 million and the Group expects that it will not be settled prior to external debt. Earliest maturity date is set to February 1, 2026. USD 20 million of the loan relates to Akastor, and remaining USD 80 million is a loan in 2021 from Baker Hughes to HMH.

²⁾ The bond loan was used to refinance the bridge loan facility. All capitalized borrowing cost related to the bridge loan was recognized as finance expense in 2022.

³⁾ Capitalized borrowing costs relate to the amortized costs calculation of the loans.

Guarantee

Subsidiaries defined as material under the bond terms and facility agreement serve as guarantors for the fulfillment of payment of interest, principal and other specified costs for HMH Holding B.V. The security provided by each guarantor is limited to USD 900 million. The amount is a formality required under Norwegian law and covers outstanding debt, future interest payments, availability of taking on further debt, and also an additional buffer amount.

Section 5 - Tax

5.1 Income tax

Income tax expense

<i>Amounts in USD thousands</i>	2023	2022 ¹⁾
Current year	-16,656	-8,444
Adjustments for prior years	808	-
Total current tax expense(-) / income	-15,848	-8,444
<i>Deferred tax expense</i>		
Origination and reversal of temporary differences	-808	399
Total deferred tax expense(-) / income	-808	399
Total tax expense	-16,656	-8,045

¹⁾ Current tax liabilities are lower than current year tax expense as it includes withholding tax paid during 2023 and 2022.

Effective tax rate

The table below reconciles the reported income tax expense to the expected income tax expense according to the corporate income tax rate in the Netherlands.

<i>Amounts in USD thousands</i>	2023		2022	
Profit / loss(-) before tax	27,431		-7,812	
Tax rate (25.80%)	-7,077	-25.80%	2,016	-25.80%
<i>Tax effects of:</i>				
Difference between local tax rate and Dutch tax rate	6,126	22%	574	-7%
Non-deductible income / expenses(-)	755	3%	-727	9%
Tax losses not recognized as deferred tax assets	-13,238	-48%	-8,397	107%
Utilization of tax losses not recognized as deferred tax assets	707	3%	1,186	-15%
Write down of deferred tax assets	-524	-2%	-377	5%
Withholding taxes and other excise tax	-3,356	-12%	-2,136	27%
Other	-47	0%	-183	2%
Total tax expenses(-) / income ¹⁾	-16,656	-61%	-8,045	103%

¹⁾ The increase in tax expense in 2023 resulted primarily from increased profits and increased foreign withholding taxes. The Company's effective tax rates for 2023 and 2022 were negatively impacted by the changes in valuation allowance related to losses in certain jurisdictions for which the Company cannot currently recognize a tax benefit. The effective tax rates were also impacted by the Company's US income and losses which are taxed to Baker Hughes and Akastor and certain withholding taxes.

Recognized deferred tax assets and liabilities

<i>Amounts in USD thousands</i>	Assets		Liabilities		Net	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022	31.12.2023	31.12.2022
Property, plant and equipment	3,269	3,354	-4,933	-5,698	-1,664	-2,344
Intangible assets	-	-	-12,898	-13,120	-12,898	-13,120
Projects under construction	-	-	-9,614	-9,245	-9,614	-9,245
Pensions	4,001	3,961	-	-20	4,001	3,941
Provisions	5,733	16,278	-	-2,145	5,733	14,133
Derivatives	-	-	-2,657	-1,409	-2,657	-1,409
Other ¹⁾	11,254	18,861	-319	-4,474	10,935	14,387
Tax loss carry-forwards ²⁾	13,192	3,270	-	-	13,192	3,270
Total before set offs	37,449	45,724	-30,420	-36,111	7,029	9,613
Set off of tax	-8,879	-13,424	8,879	13,424	-	-
Total deferred tax assets / liabilities (-)	28,570	32,300	-21,541	-22,687	7,029	9,613

¹⁾ Includes inventory reserve and interest expense carry-forward.

²⁾ Additional tax losses carry-forwards were generated in 2023 by MHWirth AS and the closing balance mainly relates to MHWirth AS and MHWirth GmbH.

5.1 Income tax (continued)**Change in net recognized deferred tax assets and liabilities**

<i>Amounts in USD thousands</i>	Property, plant and equipment	Intangible assets	Projects under construction	Pensions	Provisions	Derivatives	Other	Tax loss carry-forwards	Total
Balance as of January 1, 2022	-2,196	-13,941	-8,220	5,918	11,742	-1,506	18,924	2,166	12,887
Acquisition of subsidiaries	-	-251	-	-	-	-	-	-	-251
Recognized in profit and loss	137	1,080	-1,984	-178	1,237	-890	-1,424	2,420	398
Recognized in other comprehensive income	-	-	-	-898	-	822	-	-29	-106
Disposal of companies	-	-275	-	-421	-47	-	-83	-424	-1,251
Currency translation differences	-286	267	959	-480	1,202	165	-3,031	-862	-2,066
Balance as of December 31, 2022	-2,344	-13,120	-9,245	3,941	14,133	-1,409	14,386	3,270	9,612
Acquisition of subsidiaries	-	-251	-	-	-	-	-	-	-251
Recognized in profit and loss	1,006	232	-631	46	-9,253	-1,283	-1,555	10,277	-1,160
Recognized in other comprehensive income	-	-	-	-	-	-	-405	-	-405
Currency translation differences	-324	198	262	14	852	36	-1,449	-356	-768
Balance as of December 31, 2023	-1,663	-12,941	-9,613	4,001	5,731	-2,656	10,977	13,192	7,029

Unrecognized tax loss carry-forwards and unrecognized other tax reducing temporary differences

Expiry date of unrecognized tax loss carry-forwards

<i>Amounts in USD thousands</i>	2023	2022
Expiry in 2022	-	334
Expiry in 2023	-	-
Expiry in 2024	-	-
Expiry in 2025	-	-
Expiry in 2026 and later	188	1,986
Indefinite	4,716	43,896
Total	4,904	46,216

Unrecognized other tax reducing temporary differences as of December 31, 2023 and 2022 was US 20,157 thousands (largely relates to Brazil which is specifically excluded from the contingent liability) and USD 17,732 thousands, respectively.

Global minimum top-up tax

The OECD has advanced reforms focused on global profit allocation and implementing a global minimum tax rate of at least 15% for large multinational corporations on a jurisdiction-by-jurisdiction basis, known as "Pillar Two." On December 15, 2022, the European Council formally adopted a European Union directive on the implementation of the plan by January 1, 2024. This is not expected to materially increase the taxes the Group owes and for 2023 HMH is not in scope for implementation of Pillar two.

Section 6 - Group structure

6.1 Business combinations

Business combinations in 2023

For the fiscal year of 2023, the Group did not engage in any business combinations. As a result, no transactions related to business combinations are reported in these financial statements for this reporting period.

Business combinations in 2022

On August 24th, 2022 MHWirth AS acquired the remaining 80% of shares in Electric Subsea Drilling AS (ESD) which based in Bergen, Norway. ESD holds a portfolio of patents and technology with applications in the oil and gas industry. Among the most promising technologies within the ESD portfolio are technologies related to electronic blowout preventers and rotating control devices for riserless drilling and managed pressure operations. The purchase price of the remaining shares was USD 4 million, and was settled in cash.

Identifiable assets and liabilities acquired

<i>Amounts in USD thousands</i>	ESD
Developed technology	2,902
Patents and rights	1,768
Trade payable	-758
Cash and cash equivalents	1
Deferred tax liability	-251
Other short-term assets and liabilities	43
Other long-term assets and liabilities	-607
Total identifiable net assets acquired	3,098
Purchase consideration transferred	3,255
Fair-value of the initial investments	930
Goodwill	1,088

The Group has recognized a gain in 2022 of USD 771 thousand as a result of remeasuring its existing interest in ESD (Electric Subsea Drilling AS) at August 24, 2022 to its acquisition-date fair value.

Analysis of cash flows on acquisition

<i>Amounts in USD thousands</i>	ESD
Net cash acquired with the subsidiary	1
Cash paid	-3,256
Net cash flow from acquisition	3,257

The goodwill resulting from the ESD acquisitions are mainly attributable to the skills and technical talent of the workforce and expected synergies going forward.

6.2 Group Companies

The ultimate parent company of the Group is HMH Holding B.V. The ownership equals the percentage of voting shares, if not stated otherwise.

Group companies as of December 31, 2023 and 2022

Company	Location	Country	Ownership (%) 31.12.
HMH Holding B.V.	Amsterdam	Netherlands	
MHWirth Pty Ltd	Argenton	Australia	100
MHWirth do Brasil Equipamentos Ltda	Rio de Janeiro	Brazil	100
MHWirth Canada Inc	Newfoundland	Canada	100
MHWirth Chile SpA	Santiago	Chile	100
MHWirth GmbH	Erkelenz	Germany	100
MHWirth (India) Pvt Ltd	Mumbai	India	100
MHWirth AS	Kristiansand	Norway	100
MHWirth HoldCo AS	Kristiansand	Norway	100
MHWirth (Singapore) Pte Ltd	Singapore	Singapore	100
MHWirth FZE	Dubai	UAE	100
MHWirth Gas & Oilfield Equipment & Services LLC ¹⁾	Abu Dhabi	UAE	49
MHWirth UK Ltd	Aberdeen	UK	100
MHWirth LLC	Houston	USA	100
MHWirth Offshore Petroleum Engineering (Shanghai) Co Ltd	Shanghai	China	100
Bronco Manufacturing, LLC	Tulsa	USA	100
Electrical Subsea & Drilling AS	Straume	Norway	100
Hydril PCB Canada Inc	Newfoundland	Canada	100
HMH Drilling Engineering Services of India Pvt. Ltd ²⁾	Chennai	India	100
Hydril Pressure Control S. de R.L de C.V.	Veracruz	Mexico	100
Hydril Pressure Controlling Arabia Limited	Riyadh	Saudi Arabia	100
Hydril Pressure Control SASU	Dakar	Senegal	100
HMH Drilling Asia Pte Ltd ³⁾	Singapore	Singapore	100
Hydril PCB Limited	Aberdeen	UK	100
Hydril USA Distribution LLC	Houston	USA	100
HMH Turkey Petrol ve Doğal Gaz Ekipmanları ve Hizmetleri Anonim Şirketi	Ankara	Turkey	100

¹⁾ The other shareholder of MHWirth Gas & Oilfield Equipment & Services LLC is not active, has no right for dividend or appoint the Board of Directors. The Group considers to have full control of the company and consolidated in the Group without non-controlling interests.

²⁾ The name of the subsidiary changed from Baker Hughes Drilling Engineer Services of India Pvt. Ltd in 2023.

³⁾ The name of the subsidiary changed from Baker Hughes Drilling Asia Pte Ltd in 2023.

Step Oiltools B.V. was sold from MHWirth AS to Akastor AS prior to the formation of the Group under which MHWirth AS has a seller's credit note against Akastor AS of USD 16.4 million. Akastor ASA and Baker Hughes Holdings LLC have later agreed that the original Carve-in-arrangement is no longer desirable and that the Step Oiltools B.V. group of companies should be sold or liquidated. During this process the Group still bears the economic risk and benefit related to the Step Oiltools B.V., even though the Group does not consider to have control over the entity and is not consolidated in the Group.

At inception on 1 October 2021, the fair value of the contract was equal to the initial carrying amount based on an external DCF measurement. Management has assessed the fair value of the contract as per 31 December 2021 and 31 December 2022 and concluded there was no significant fair value change as per 31 December 2021. However, due to the significant change in the business environment and subsequent impact on the financial/operational performance of the underlying asset, which was significantly caused by the trade sanction imposed to Russia following the Russian/Ukraine war, the fair value of financial asset as per 31 December 2022 is considered to be nil.

Therefore, management concluded during the preparation of the 2023 financial statements, that a loss of USD 16.4 on this asset should have been recognized in 2022. Refer to more details in disclosure 8.1 Correction of errors.

7.1 Other non-current assets and liabilities

Other non-current assets

As of December 31

<i>Net book value as of December 31, 2023</i>	2023	2022
Indemnification asset ¹⁾	20,414	24,556
Non-current interest bearing receivables ²⁾	7,977	6,939
Other non-current assets	97	1,102
Total other non-current assets	28,488	32,597

¹⁾ Non-current part of the indemnification asset. Initially HMH have booked a receivable towards Akastor mistakenly in current assets for their part of the total indemnification assets, as part of the agreement between Akastor and Baker Hughes at the time of the formation of the Group. In 2023 presentation has been changed to non-current assets according to terms of the agreement. These are also disclosed in note 7.3

²⁾ It consists of receivable against Akastor and Baker-Hughes resulting from the settlement of the acquisition of MHWirth and Subsea Drilling Systems, respectively. Two invoices of USD 3.5 millions plus interests, one to Baker Hughes and one to Akastor regarding net working capital. These are also disclosed in note 7.3

Other non-current liabilities

As of December 31

<i>Amounts in USD thousands</i>	2023	2022
Welfare and support fund	1,896	2,032
Liability to shareholders ¹⁾	9,413	9,413
Other non-current liabilities	49	3,588
Total other non-current liabilities	11,359	15,033

¹⁾ See note 8.1 for details.

Welfare and support fund

The main purpose of this fund is to serve future indirect pension obligations.

7.2 Provisions

As of December 31

<i>Amounts in USD thousands</i>	2023	2022
Provisions, current	17,829	15,754
Provisions, non-current	1,068	734
Total provisions	18,897	16,487

Development of significant provisions

<i>Amounts in USD thousands</i>	<i>Warranties</i>	<i>Restructuring</i>	<i>Other</i>	<i>Total</i>
Balance as of January 1, 2023	6,771	1,058	8,658	16,487
Reclassification	306	-	-	306
Provision provided during the period	2,076	1,214	385	3,676
Provision utilized during the period	-587	-621	-	-1,208
Provisions reversed during the period	-	-	-321	-321
Currency translation differences	-10	-9	-23	-42
Balance as of December 31, 2023	8,556	1,641	8,699	18,897

Expected timing of payment as of December 31, 2023

Within the next twelve months	8,557	574	8,699	17,829
After the next twelve months	-	1,068	-	1,068
Total	8,557	1,642	8,699	18,898

<i>Amounts in USD thousands</i>	<i>Warranties</i>	<i>Restructuring</i>	<i>Other</i>	<i>Total</i>
Balance as of January 1, 2022	8,064	1,722	9,709	19,495
Provision provided during the period	1,505	-	-	1,505
Provision utilized during the period	-1,477	-495	-679	-2,651
Provisions reversed during the period	-698	-	-1,154	-1,852
Currency translation differences	-623	-169	781	-10
Balance as of December 31, 2022	6,771	1,058	8,658	16,487

Expected timing of payment as of December 31, 2022

Within the next twelve months	6,771	325	8,658	15,754
After the next twelve months	-	734	-	734
Total	6,771	1,058	8,658	16,487

7.2 Provisions (continued)

Warranties

The provision for warranties relates mainly to the possibility that HMH Group, based on contractual agreements, needs to perform guarantee work related to products and services delivered to customers. Warranty provision is presented as current as it is expected to be settled in the Group's normal operating cycle. See Note 1.3 Significant accounting estimates and judgments for further descriptions.

Restructuring

The non-current provisions encompass a restructuring provision specific to MHWirth AS. The restructuring primarily pertains to substantial workforce decrease and reorganization within MHWirth, driven by the challenging rig market conditions. This provision incorporates unoccupied office premises subsequent to the decrease in workforce and is appraised based on the comprehensive restructuring plans for the affected businesses and locations.

Due to more adverse market conditions, additional restructuring provision was provided in 2023.

The decrease of the restructuring provision occurs on a monthly basis.

Other provisions

Provisions in Hydril USA Distribution LLC as of December 31, 2023 and 2022 were:

- USD 4 million (2022: USD 4 million) environmental reserve for estimated remediation costs for two plants.
- USD 2 million (2022: USD 2 million) other provisions

The remaining USD 3 million (2022: USD 3 million) are other provisions in the Group.

7.3 Related party transactions

Related party relationships are those involving control (either direct or indirect), 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 with related parties to HMH Holding B.V. have been based on arm's length terms (unless disclosed differently).

HMH Holding B.V. is a parent company which controls 25 companies around the world. These subsidiaries are listed in note 6.2 Group companies. Any transactions between the parent company and the subsidiaries are shown line by line in the separate financial statements of the parent company, and are eliminated in the consolidated financial statements.

Remunerations and transactions with directors and executive officers are summarized in note 7.4 Management remunerations.

HMH Group with its parent company HMH Holding B.V., is a joint venture by Akastor and Baker Hughes. The shareholders are Baker Hughes Holdings LLC (50%), Akastor AS (25%), and Mercury HoldCo Inc (25%). Akastor ASA fully owns Akastor AS and Mercury HoldCo Inc. For equity transaction with parents, see note 4.7

Related parties for the HMH Group are the shareholders and the entities in the Akastor group and Baker Hughes group.

Summary of transactions and balances with significant related parties

<i>Amounts in USD thousands</i>	Baker Hughes Holding LLC	GE Drilling Services LLC ³⁾	Akastor AS	Aker BP	Other Baker-Hughes companies	Other Akastor companies	Total
Period January 1, 2023 - December 31, 2023							
Income statement							
Revenue	-	339	5,941	1,733	123	594	8,730
Net financial items	-6,974	-	-1,517	-	-	-	-8,491
As of December 31, 2023							
Interest-bearing receivable	-	-	-	-	540	-	540
Trade receivables	-	230	-	174	-	-	403
Trade payables	-	-	-	17	110	-	127
Borrowings / shareholder loans	95,670	-	23,917	-	-	-	119,587
Indemnification asset	-	-	21,914	-	-	-	21,914
Non-current receivables ¹⁾	3,970	-	4,007	-	-	-	7,977
Liability to shareholders ²⁾	666	-	8,747	-	-	-	9,413

As of 31 December 2022

<i>Amounts in USD thousands</i>	Baker Hughes Holding LLC	GE Drilling Services LLC ³⁾	GEO Oil and Gas Australia Pty Ltd ³⁾	Akastor AS	Aker Solution AS	Aker BP	Other Baker-Hughes companies	Other Akastor companies	Total
Period January 1, 2022 - December 31, 2022									
Income statement									
Revenue	-	-	164	2,924	1,660	-	-	108	4,856
Fair value adjustment of financial assets	-	-	-	-16,002	-	-	-	-	-16,002
Net financial items	-6,200	-	-	-2,067	-	-	-	-	-8,266
Balance as of December 31, 2022									
Interest-bearing receivables	-	-	-	17,428	-	-	-	-	17,428
Trade receivables	-	4,559	-	-	-	-	32	543	5,134
Trade payables	-	-	1,892	-	-	-	241	314	2,447
Borrowings / shareholder loans	88,213	-	-	22,053	-	-	-	-	110,266
Indemnification asset	-	-	-	24,556	-	-	-	-	24,556
Non-current receivables ¹⁾	3,453	-	-	3,486	-	-	-	-	6,939
Liability to shareholders ²⁾	666	-	-	8,747	-	-	-	-	9,413

¹⁾ It is recorded as Other non-current assets as of December 31, 2023 and 2022. It consists of receivable against Akastor and Baker-Hughes resulting from the settlement of the acquisition of MHWirth and Subsea Drilling Systems, respectively.

²⁾ See note 8.1 for details.

³⁾ These entities are controlled by Baker-Hughes and therefore are related parties to the Group.

Related party transactions

Akastor

- Akastor has provided a shareholder loan to HMH of total USD 20 million in 2021. This is a long-term loan provided to finance the Group's operating and finance activities. (See note 4.8)
- In relation to the merger, there were performed a carve-out of pension liabilities in MHWirth AS - asset in HMH Holding B.V. against Akastor AS.
- As part of the merger, Akastor is responsible for the pension liability from before the merger, so called carved-out pension. Hence, HMH has a receivable of USD 21.9 million due from Akastor Group as of December 31, 2023 (2022: USD 24.6 million), which is reduced in line with pension payments to former employees in 2022 and 2023.

Baker Hughes

- Baker Hughes has provided a shareholder loan to HMH of total USD 80 million in 2021. This is a long-term loan provided to finance the Group's operating and finance activities (see note 4.8).

Indemnification asset

Per IFRS 3.27-28 in line with the merger transaction deal, the Company obtained an indemnification asset. That is related to the pension liabilities Akastor sold to the Company. As result Akastor is contractually obliged to indemnify the Company for that specific liability. An asset was recognized at the same time and measured using the same measurement basis as the liability. This ensured that both the asset and the liability were measured on a consistent basis using similar assumptions.

After initial recognition, per IFRS 3.57, an indemnification asset continues to be measured based on the assumptions used to measure the related liability, subject to management's assessment of collectability of the asset, limited to the amount of the liability to which it relates. As the receivable is mirroring the liability movement and thus reflecting that HMH Holding B.V. is being compensated for this by Akastor, the pension receivable is also remeasured at each reporting date. Therefore, the receivable is accounted for in a similar way in the consolidated income statement.

7.4 Management remuneration

The Board of Directors of the Group as of December 31, 2023 comprises of directors Nancy Buese, Kristian Monsen Rokke, Jud Bailey and Karl Erik Kjelstad. All the directors are non-independent directors as a result of their nomination for appointment by Baker Hughes and Akastor, respectively.

As of December 31, 2023, the executive management of HMM Group comprised of CEO Eirik Bergsvik, CFO Thomas McGee, GC/CAO Dwight Rettig, Pål Skogerbø (President Equipment and System Solutions), Chuck Chauviere (President Pressure Control Systems) and CCO Roy Dyrseth.

The Group has no Supervisory Board in 2023 or 2022. The Group has a separate Audit Committee which has comprised of Asbjørn Rødal since November 2022.

Board of Directors

The Board of Directors did not receive remuneration for their Directors roles. The members of the Board of directors have no agreements that entitle them to any other remuneration from HMM.

The Board of Directors comprises of representatives from both shareholders. These representatives are employed or contracted by the shareholders and the Company has not received any charges from shareholders nor representatives for the services as board directors. According to art. 381.3 and Dutch law RJ 330.201, this represents related parties transactions not being at arm's length conditions.

Both the Board of Directors and the executive management represent Key Management Personnel of the Group.

Audit Committee

In line with compliance of Article 2 of the EC directive 2006/43/EC Implementation Decree of 26 July 2008 (the Decree) concerning audit of annual accounts, the Audit Committee was established in November 2022. The Audit Committee was established by the Company's articles of association as a separate and designated corporate body within the meaning of Article 2 paragraph 4 of the Decree, assigned to perform all duties of an audit committee in accordance with Article 2 paragraph 2 of the Decree.

The Audit Committee comprises of one member (Asbjørn Rødal), who qualifies as independent from the Company, is an expert in the field of financial reporting and auditing and has expertise and experience relevant to the Company's business sector. The costs recognized for the services provided amounted to USD 52 thousand in 2023 (2022: USD 26 thousand). The Board of Directors constituted as the Audit Committee until the Audit Committee was established.

Policy on remuneration to the members of the executive management

All members of the executive management were employees of the Group with terms and conditions of employment consistent with industry standards. Mr. Dwight Rettig was contracted as an independent contractor.

Compensation to the executive management has fixed elements, which includes a base salary which, pursuant to the Company's benchmarking, is competitive. The executive management has variable remuneration based upon the performance of the Company. All variable compensation is subject to HMM performance.

Benefits

The executive management participates in the standard employee, pension and insurance plan applicable to all employees in the Company. No executive personnel in HMM have performance-based pension plans and there are no current loans, prepayments or other forms of credit from the Company to its executive management.

All members of the executive management are part of the Groups share-based payments program as further described in note 2.5 Employee benefits expenses. For the executive management the cost recognized under this program was USD 2 393 thousand in 2023 (2022: USD 1 714 thousand).

Directors' and executive management's shareholding

Directors and the members of the executive management have no shares in HMM Group as of December 31, 2023, or 2022. All members of the executive management are part of the Group's share-based payments program as further described in note 2.5 Employee benefits expenses.

Remuneration to executive management

<i>Amounts in USD thousands</i>	2023	2022
Short-term regular benefit	504	2,114
Pension	109	56
Share-based payments (accrued)	2,393	1,714
Total remuneration to executive management	3,006	3,884

The remuneration disclosed above represent expenses recognized in the consolidated income statements.

The remuneration was paid by the HMM subsidiaries and not by the parent company.

7.5 Subsequent events

Adjusting events

No subsequent events are noted which require adjustments in the annual report or to be disclosed.

Non-adjusting events

HMM Holding (Netherlands) B.V. was established and registered in at the Netherlands Chamber of Commerce on February 8, 2024, with HMM Holding B.V. as its sole shareholder. As of the effective date, HMM Holding (Netherlands) B.V. will be a fully consolidated entity of the Group.

8.1 Correction of errors

Correction of error - Adjustment in goodwill

During 2023, the Group discovered contingent considerations related to its former owners. As part of the original agreement between Akastor and Baker Hughes when forming the Company, it was agreed that all deferred tax assets on net operating losses and denied interest deduction previously recognized within the old Group, up to the merger date, are deemed to remain the property of their respective original owners. As a result, during the PPA as per 01.10.2021, the Group should have recognized a liability to its former owners in the amount of USD 9.4 million to be settled upon the probable utilization of these deferred tax assets in the foreseeable future. As a result, goodwill should have been higher for the impact of this.

Correction of error - Step Oiltools adjustments

According to IFRS 9 "Financial instruments" an entity shall classify financial assets at amortized cost, fair value through other comprehensive income or fair value through profit or loss. A financial asset related to a seller's credit note issued by Akastor AS to the Subsidiary in Norway, was initially incorrectly classified as receivable measured at amortized cost, when the correct classification should have been fair value through profit or loss based on the contract terms.

At inception on October 1, 2021, the fair value of the contract was equal to the initial carrying amount based on an external Discounted Cash Flow measurement. Management has assessed the fair value of the contract as per December 31, 2021, and December 31, 2022, and concluded there was no significant fair value change as per December 31, 2021. However, due to the significant change in the business environment and subsequent impact on the financial/operational performance of the underlying asset, which was significantly caused by the trade sanction imposed to Russia following the Russian/Ukraine war, the fair value of financial asset as per December 31, 2022, is considered to be nil.

Therefore, management concluded during the preparation of the 2023 financial statements, that a loss of USD 16.4 million on this asset should have been recognized in 2022. This error has been corrected by restating each of the affected financial statements line items for prior periods.

Correction of error - IFRS 16 "Leases"

In the process of the IFRS 16 "Leases" first implementation, a simplified approach was utilized by management for calculating the amount of lease liability/right-of-use assets. There were numerous simplifications for practical purposes to assess the lease liability/right-of-use assets in prior years. However, in 2023, a specialized accounting application was acquired by the Company and used to accurately assess lease liabilities/right-of-use assets. This resulted in some differences between the new, more detailed calculation and the prior year calculations.

Differences between the simplified approach and specialized accounting application mainly relate to extensions captured in specialized accounting application.

The above errors have been corrected by restating each of the affected financial statements line items for prior periods. The following tables summarize the impacts on the Group's consolidated financial statements:

Consolidated statements of financial position as of January 1, 2022

<i>Amounts in USD thousands</i>	As previously reported	Adjustment goodwill	IFRS 16 adjustments	Step Oiltools adjustments	As restated
Deferred tax assets	38,750	-	70	-	38,820
Right-of-use assets	41,588	-	4,544	-	46,132
Goodwill	277,157	9,413	-	-	286,570
Other Non-current assets	442,101	-	-	-	442,101
Inventories	156,932	-	-	-	156,932
Contract assets	117,351	-	-	-	117,351
Other current assets	227,812	-	223	-	228,035
Total assets	1,301,691	9,413	4,837	-	1,315,941
Non-current lease liabilities	33,041	-	5,921	-	38,962
Non-current borrowings	193,741	-	-	-	193,741
Other Non-current liabilities	2,896	9,413	-	-	12,309
Current lease liabilities	10,207	-	-2,309	-	7,898
Current liabilities	463,088	-	-474	-	462,614
Total liabilities	702,973	9,413	3,138	-	715,524
Total equity as of January 1, 2022	598,718	-	1,699	-	600,417

8.1 Correction of errors (continued)**Consolidated statements of financial position as of December 31, 2022**

	As previously reported	Adjustment goodwill	IFRS 16 adjustments	Step Oiltools adjustments	As restated
<i>Amounts in USD thousands</i>					
Deferred tax assets	32,300	-	-62	-	32,238
Right-of-use assets	32,745	-	4,393	-	37,138
Goodwill	278,112	9,413	-	-	287,525
Other Non-current assets	406,700	-	-	-	406,700
Inventories	158,097	-	-	-	158,097
Contract assets	148,328	-	-	-	148,328
Current financial assets	17,428	-	-	-16,002	1,426
Other current assets	222,349	-	2,441	-	224,790
Total assets	1,296,059	9,413	6,772	-16,002	1,296,242
Non-current lease liabilities	25,900	-	6,016	-	31,916
Non-current borrowings	304,857	-	-	-	304,857
Other Non-current liabilities	5,620	9,413	-	-	15,033
Current lease liabilities	8,927	-	-921	-	8,006
Other current liabilities	369,738	-	-438	-	369,300
Total liabilities	715,042	9,413	4,657	-	729,112
Total equity as of December 31, 2022	581,017	-	2,115	-16,002	567,130

	As previously reported	Adjustment goodwill	IFRS 16 adjustments	Step Oiltools adjustments	As restated
<i>Amounts in USD thousands</i>					
Revenue	677,267	-	-	-	677,267
Operating expenses	-599,560	-	-	-	-599,560
Depreciation and amortization	-47,590	-	-416	-	-48,005
Fair value adjustment of financial assets	-	-	-	-16,002	-16,002
Operating profit / loss(-) as of December 31, 2022	30,118	-	-416	-16,002	13,700
Profit / loss(-) before tax	-7,812	-	-416	-16,002	-24,230

8.2 Change in accounting policies

Change in accounting policies - Adjustment in project inventory

During 2023 the Group reassessed the classification of the project inventory. Project inventory is the stock placed in the warehouse and purchased based on demand from projects. In previous years, this inventory has been included as in contract assets. The Group has decided in 2023 to reclassify it to inventory based on the fact that it has not yet been issued to a project. Reclassifications are related to inventory in Norway, Germany and Brazil. The total reclassification amounts to USD 24.6 million as of December 31, 2022.

The effect of the change in accounting policy have been corrected by restating each of the affected financial statement line items for prior periods.

The following tables summarize the impacts on the Group's consolidated financial statements:

Consolidated statements of financial position as of January 1, 2022

<i>Amounts in USD thousands</i>	As previously reported	Correction of errors (note 8.1)	Adjustment project inventory	As restated
Deferred tax assets	38,750	70	-	38,820
Right-of-use assets	41,588	4,544	-	46,132
Goodwill	277,157	9,413	-	286,570
Other Non-current assets	442,101	-	-	442,101
Inventories	156,932	-	-	156,932
Contract assets	117,351	-	-	117,351
Other current assets	227,812	223	-	228,035
Total assets	1,301,691	14,250	-	1,315,941
Non-current lease liabilities	33,041	5,921	-	38,962
Non-current borrowings	193,741	-	-	193,741
Other Non-current liabilities	2,896	9,413	-	12,309
Current lease liabilities	10,207	-2,309	-	7,898
Current liabilities	463,088	-474	-	462,614
Total liabilities	702,973	12,551	-	715,524
Total equity as of January 1, 2022	598,718	1,699	-	600,417

Consolidated statements of financial position as of December 31, 2022

<i>Amounts in USD thousands</i>	As previously reported	Correction of errors (note 8.1)	Adjustment project inventory	As restated
Deferred tax assets	32,300	-62	-	32,238
Right-of-use assets	32,745	4,393	-	37,138
Goodwill	278,112	9,413	-	287,525
Other Non-current assets	406,700	-	-	406,700
Inventories	158,097	-	24,643	182,740
Contract assets	148,328	-	-24,643	123,685
Current financial assets	17,428	-16,002	-	1,426
Other current assets	222,349	2,441	-	224,790
Total assets	1,296,059	-16,002	-	1,296,242
Non-current lease liabilities	25,900	6,016	-	31,916
Non-current borrowings	304,857	-	-	304,857
Other Non-current liabilities	5,620	9,413	-	15,033
Current lease liabilities	8,927	-921	-	8,006
Other current liabilities	369,738	-438	-	369,300
Total liabilities	715,042	-921	-	729,112
Total equity as of December 31, 2022	581,017	14,070	-	567,130

<i>Amounts in USD thousands</i>	As previously reported	Correction of errors (note 8.1)	Adjustment project inventory	As restated
Revenue	677,267	-	-	677,267
Operating expenses	-599,560	-	-	-599,560
Depreciation and amortization	-47,590	-416	-	-48,005
Fair value adjustment of financial assets	-	-16,002	-	-16,002
Operating profit / loss(-) as of December 31, 2022	30,118	-16,418	-	13,700
Profit / loss(-) before tax	-7,812	-16,418	-	-24,230



Company Financial Statements
2023
HMH Holding B.V.

Income statement
for the year ended December 31

<i>Amounts in USD thousands</i>	<i>Note</i>	2023	2022
Revenue	2	7,719	15,460
Other operating expenses	2	-17,847	-17,152
Operating expenses		-17,847	-17,152
Operating profit / loss(-)		-10,128	-1,691
Finance income	3	7,329	5,167
Finance expenses	3	-48,890	-35,332
Net finance expenses		-41,561	-30,165
Profit / loss(-) before tax		-51,689	-31,856
Income tax expense/income (-)	4	-	-
Profit / loss(-) for the period		-51,689	-31,856

Statements of comprehensive income

<i>Amounts in USD thousands</i>	<i>Notes</i>	2023	2022
Profit / loss(-) for the period		-51,689	-31,856
Total other comprehensive income / loss(-) for the period, net of tax		-	-
Total comprehensive income / loss(-)		-51,689	-31,856
Total comprehensive income / loss(-) attributable to:			
Equity holders of the parent		-51,689	-31,856

The accompanying notes are an integral part of the these Company Financial Statements on pages 99 - 108.

Statement of financial position
as of December 31

<i>USD thousands (Before profit appropriation)</i>	<i>Note</i>	2023	2022
Assets			
Non-current assets			
Investments in subsidiaries	5	795,416	791,916
Non-current non interest-bearing receivables to related parties	7	20,414	24,556
Non-current interest-bearing receivables to group companies and related parties	7	19,977	45,663
Total non-current assets		835,806	862,135
Current assets			
Other receivables to group companies and related parties	7	36,693	22,229
Cash and cash equivalents	7	410	-
Total current assets		37,103	22,229
Total assets		872,910	884,364
Equity and liabilities			
Share capital		0	0
Share premium		601,539	601,539
Other reserves		-36,083	-14,193
Unappropriated result		-51,689	-31,856
Total equity	6	513,768	555,490
Non-current liabilities			
Borrowings	7,8	195,587	152,374
Interest-bearing liabilities to shareholders	7,8	119,587	110,266
Other liabilities		-	3,500
Liability to shareholders	5	9,413	9,413
Total non-current liabilities		324,588	275,554
Current liabilities			
Borrowings	8	24,469	40,392
Current borrowings from Group companies	7	2,553	-
Trade payables and other liabilities	10	7,532	12,929
Total current liabilities		34,554	53,321
Total liabilities		359,142	328,874
Total equity and liabilities		872,910	884,365

HMH Holding B.V. is a limited liability company that was incorporated and domiciled in the Netherlands on the April 28, 2021. The share capital is USD 0.003 thousand as of December 31, 2023 and 2022.

The accompanying notes are an integral part of the these Company Financial Statements on pages 99 - 108.

Statement of cash flows
for the year ended December 31

<i>USD thousands</i>	<i>Note</i>	2023	2022
Profit / loss(-) before tax		-51,689	-31,856
<i>Adjustments:</i>			
Net finance income and expenses	3	41,561	30,165
Share-based payment expense		6,470	3,500
Profit / loss(-), net of adjustments		-3,658	1,809
<i>Changes in working capital:</i>			
Decrease/Increase(-) in receivables from group companies and related parties		12,723	15,425
Increase/Decrease(-) in trade payables and other liabilities		-3,358	6,145
Decrease/Increase(-) in indemnification assets		2,642	-
Other changes		415	-802
Total changes in working capital		12,422	20,767
Interest paid	3	-23,992	-17,716
Other financial expenses paid	3	-	-1,493
Interest received	3	6,922	5,167
Net cash from operating activities		-8,306	8,534
Payments on capital contributions to subsidiary	5	-3,500	-
Net cash from investing activities		-3,500	-
Proceeds from borrowings	8	182,059	158,000
Payment of borrowings	8	-157,320	-180,810
Payment of borrowing cost	8	-11,243	-4,105
Net cash from financing activities		13,496	-26,915
Effect of exchange rate changes on cash and cash equivalents		-	-
Net increase / decrease(-) in cash and cash equivalents		1,690	-18,382
Cash and cash equivalents at the beginning of the period		-1,280	17,102
Cash and cash equivalents at the end of the period	7	410	-1,280

The accompanying notes are an integral part of the these Company Financial Statements on pages 99 - 108.

Statement of changes in equity**For the year ended December 31, 2023**

<i>Amounts in USD thousands</i>	<i>Note</i>	Share capital ¹⁾	Share premium	Other reserves		Unappropriated result	Total equity
				Share-based payments	Accumulated losses		
Equity as of January 1, 2023		0	601,539	-	-14,193	-31,856	555,490
Appropriation of previous year's loss		-	-	-	-31,856	31,856	-
Profit / loss(-) for the year		-	-	-	-	-51,689	-51,689
Share-based payments		-	-	9,967	-	-	9,967
Equity as of December 31, 2023	6	0	601,539	9,967	-46,049	-51,689	513,768

¹⁾ Share capital is USD 0.003 thousand as of December 31, 2023.

For the year ended December 31, 2022

<i>Amounts in USD thousands</i>	<i>Note</i>	Share capital ¹⁾	Share premium	Other reserves		Unappropriated result	Total equity
				Share-based payments	Accumulated losses		
Equity as of January 1, 2022		0	601,539	-	-	-14,193	587,346
Appropriation of previous year's loss		-	-	-	-14,193	14,193	-
Profit / loss(-) for the year		-	-	-	-	-31,856	-31,856
Equity as of December 31, 2022	6	0	601,539	-	-14,193	-31,856	555,490

¹⁾ Share capital is USD 0.003 thousand as of December 31, 2022.

The accompanying notes are an integral part of the these Company Financial Statements on pages 99 - 108.

Notes to the company financial statements

Note 1 General Information

General information

HMH Holding B.V. (the "Company") was incorporated as a limited liability company on April 28, 2021 and is organized and existing under the laws of the Netherlands. The Company is seated in Amsterdam and is registered in the Chamber of Commerce with CCI number 82719322, RSIN number 862578796. The Company's address is Weerdestein 97, 1083GG Amsterdam. Due to the listing of its bond on the Oslo Stock Exchange (Norway) on November 4, 2022, HMH Holding B.V. was considered a public interest entity in the European Union (EU-PIE) as of December 31, 2022. On October 30, 2023, HMH Holding B.V. secured a successful placement of a new USD 200 million senior secured bond issue. Additionally, the Company exercised call options to redeem all of the outstanding bonds in accordance with the Bond Terms. The Company issued a new bond on October 30, 2023 and expect to list the bond on the Oslo Stock Exchange during Q1 2024. HMH Holding B.V. will be considered a EU-PIE after listing of the new bonds. See note 8 for additional information.

As of October 1, 2021, the Company acquired Baker Hughes' Subsea Drilling Systems (SDS) and Akastor's wholly owned subsidiary, MHWirth establishing and creating HMH (The Group). The acquisition was resolved as contribution in kind and shareholder loan and resulted in a 50% ownership each by Baker Hughes and Akastor so the shareholders after the transactions are Baker Hughes Holdings LLC (50%), Akastor AS (25%), and Mercury HoldCo Inc (25%). Akastor ASA fully owns Akastor AS and Mercury HoldCo Inc.

HMH Holding B.V. is the holding company of the HMH Group. HMH is a leading global provider of full-service offshore and onshore drilling equipment offering that provides our customers with a broad portfolio of products and services that are designed to be safer and more efficient. The Company vision is centered on an unparalleled commitment to quality and yielding economic advantages for customers and stakeholders. HMH has a global span covering five continents with offices in 16 countries.

Basis of preparation

Statement of compliance

These separate financial statements have been prepared in accordance with Title 9, Book 2 of the Dutch Civil Code. For setting the principles for the recognition and measurement of assets and liabilities and determination of results for its separate financial statements, the Company makes use of the option provided in section 2:362(8) of the Dutch Civil Code. This means that the principles for the recognition and measurement of assets and liabilities and determination of the result (hereinafter referred to as principles for recognition and measurement) of the separate financial statements of the Company are the same as those applied for the consolidated EU-IFRS financial statements.

Functional currency and presentation currency

The parent company's financial statements are presented in USD, which is HMH Holding B.V.'s functional currency. All financial information presented in USD has been rounded to the nearest thousand (USD thousand), except when otherwise stated. In the statement of comprehensive income, income/gains are presented as positive amounts and expenses/costs are presented as negative amounts. In the notes, both income and expenses are presented as positive numbers. The subtotals and totals in some of the tables in these financial statements may not equal the sum of the amounts shown due to rounding.

Amounts in the prior period financial statements have been adjusted in comparative period of the current period financial statements, see details in note 8.1. The Group has also adjusted comparatives in some notes to more accurate financial information.

Summary of significant accounting policies

The principal accounting policies applied in the preparation of this financial statement are set out below. These policies have been consistently applied to the period presented, unless otherwise stated.

Compared to the accounting policies applied in the consolidated financial statement (Section 1 to the consolidated financial statements), the parent company's financial statements' accounting policies only deviate with respect to the following items:

Foreign currency

Transactions in foreign currencies are translated at the exchange rate applicable at the date of the transaction. Monetary items in a foreign currency are translated to USD using the exchange rate applicable on the balance sheet date. Foreign exchange differences arising on translation are recognized in the income statement as they occur. Non-monetary assets and liabilities measured in terms of historical cost in a foreign currency are translated using the exchange rate on the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rates on the date the fair value is determined.

Investments in subsidiaries

Investments in subsidiaries are measured at cost in the parent company accounts, less any impairment losses. An impairment loss in respect of participating interests in subsidiaries is measured by comparing the recoverable amount of the investment with its carrying amount. An impairment loss is recognized in profit or loss and is reversed if there has been a favorable change in the estimates used to determine the recoverable amount. Investments in subsidiaries and associates are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may exceed the fair value of the investment.

Dividends and other distributions from subsidiaries are recognized as income the same year as they are recognized in the financial statement of the provider. If the dividends or group contributions exceed withheld profits after the acquisition date, the excess amount represents repayment of invested capital, and is recognized as a reduction of carrying value of the investment.

Classification

Current assets and current liabilities include items due within one year or items that are part of the operating cycle. Other balance sheet items are classified as non-current assets/debts.

Some borrowing agreements incorporate undertakings by the borrower (covenants) which have the effect that the liability becomes payable on demand if certain conditions related to the borrower's financial position are breached.

Non-current borrowings are presented as current if a loan covenant breach exists at balance date. The liability is classified as non-current only when:

- (a) the lender has agreed, prior to the authorization of the financial statements for issue, not to demand payment as a consequence of the breach; and
- (b) it is not probable that further breaches will occur within twelve months of the balance sheet date.

Finance income and expense

Finance income and expense include interest income and expense, foreign exchange gains and losses. Interest income and expenses include calculated interest using the effective interest method, in addition to discounting effects from assets and liabilities measured at fair value.

Cash and cash equivalent

Cash and cash equivalents include cash, bank deposits and other short-term liquid investments. HMM Holding B.V. has a cash pool that includes the parent company's cash as well as net deposits from subsidiaries in the Group cash pooling system owned by the parent company. See note 7 for description of the cash pool.

HMM Holding B.V. is the owner of cash pool systems. The cash in the cash pool is classified as cash and cash equivalent in the financial statement.

Cash flow statement

The statement of cash flow is prepared according to the indirect method.

Tax

Tax income (expense) in the income statement comprises current tax, withholding tax and changes in deferred tax. Deferred tax is calculated as 25.8 percent of temporary differences between accounting and tax values as well as any tax losses carry-forward at the year end. Net deferred tax assets are recognized only to the extent it is probable that they will be utilized against future taxable profits.

Note 2 Operating revenue and expenses

<i>Amounts in USD thousand</i>	<i>Note</i>	2023	2022
Revenue			
Other revenue			
Other revenue		7,719	15,460
Total revenue		7,719	15,460

Revenue recognition

Other revenue consists of Global Service Charge fee invoiced to the subsidiaries.

Operating expenses

<i>Amounts in USD thousand</i>	<i>Note</i>	2023	2022
Share-based payments expenses		6,470	3,500
Management service		5,887	11,809
Legal and compliance cost		4,154	368
Other operating cost		1,336	1,475
Total operating expenses		17,847	17,152

There are two employees in HMH Holding B.V. as of year end.

Management services

Management services consist of cost related to Group services performed by HMH Holding for subsidiaries.

Fees to the auditors

Fees to KPMG for statutory audit amounted to USD 280 thousand in 2023 (2022: USD 420 thousand). The fees were charged by KPMG Accountants N.V. to the Company, as referred to in Section 2:382a (1) and (2) of the Netherlands Civil Code. Please refer to note 2.6 in the Group's consolidated financial statements.

Board of Directors

The members of the Board of Directors have no agreements that entitle them to any remuneration for 2023 or 2022.

Supervisory board and Audit committee

HMH Holding B.V. does not have a Supervisory board. The costs recognized for the services of the audit committee amounted to USD 52 thousand in 2023 (2022: USD 26 thousand) and the cost is presented as other operating cost.

Policy for remuneration of the Executive management

For Benefits and policy on remuneration to the members of the executive management please refer to note 7.4 in the Company's consolidated financial statements.

Directors' and Executive management's shareholding

Directors and Executive management have no shares in HMH Holding B.V. as of December 31, 2023 and 2022.

Share-based payments

HMH Holding B.V. established award program to management and certain key employees, please refer to note 2.5 in the Company's consolidated financial statements.

Note 3 Net financial items

<i>Amounts in USD thousand</i>	<i>Note</i>	2023	2022
Interest income on intercompany loans		7,100	4,182
Other finance income		229	985
Finance income		7,329	5,166
Interest expense on external borrowings		31,988	20,066
Interest expense on related parties borrowings		9,165	8,475
Net foreign exchange loss		210	4,402
Other financial expenses ¹⁾		7,526	2,388
Finance expenses		48,890	35,332
Net finance expenses recognized in profit and loss		41,561	30,166

¹⁾ Includes refinancing costs of USD 7,207 thousand and bank fees.

Overview of the interest-bearing deposits, receivables and borrowings are included in note 7 and 8.

Note 4 Tax

<i>Amounts in USD thousand</i>	2023	2022
<i>Income tax expense</i>		
Current income tax this year	-	-
Deferred tax expenses to income statement	-	-
Total tax expense(-) / income	-	-
<i>Calculation of taxable income</i>		
Profit / loss(-) before tax	-51,689	-31,856
Permanent differences	49,475	24,750
Taxable income	-2,214	-7,106
Change in tax loss carry forward	2,214	7,106
Taxable profit	-	-
<i>Specification of permanent differences:</i>		
Non-deductible expenses	9,004	-
Non-deductible interest for which no deferred tax assets were recognized	40,471	24,750
Total permanent differences	49,475	24,750
Tax rate	25.8%	25.8%
Tax effects of permanent differences	12,765	6,386

Effective tax rate

The table below reconciles the reported income tax expense to the expected income tax expense according to the corporate income tax rate in The Netherlands.

2023	<i>Gross</i>	<i>Tax effect</i>
Profit / loss(-) before tax	-51,689	
Tax rate (25.8 %)		13,336
Non-deductible expenses	9,004	-2,323
Non-deductible interest for which no deferred tax assets were recognized	40,471	-10,442
Deferred tax assets(-) / liabilities (+), not recognized ¹⁾		-571
Tax expense (-) / income		-

¹⁾ A full valuation allowance has been established against all net deferred tax assets as it is more-likely-than-not that they will not be realized.

2022	<i>Gross</i>	<i>Tax effect</i>
Profit / loss(-) before tax	-31,856	
Tax rate (25.8 %)		8,219
Non-deductible interest for which no deferred tax assets was recognized	24,750	-6,188
Deferred tax from write down (or reversal) of tax loss or deferred tax assets		-1,777
Deferred tax assets(-) / liabilities (+), not recognized		-255
Tax expense (-) / income		-

Deferred tax assets on net losses carried forward amounting to USD 9,499 thousand and interest carried forward of USD 67,637 thousand were not recognized as of December 31, 2023. The respective not recognized amounts are USD 7,285 thousand and USD 27,166 thousand as of December 31, 2022.

The OECD has advanced reforms focused on global profit allocation and implementing a global minimum tax rate of at least 15% for large multinational corporations on a jurisdiction-by-jurisdiction basis, known as "Pillar Two." On December 15, 2022, the European Council formally adopted a European Union directive on the implementation of the plan by January 1, 2024. This is not expected to materially increase the taxes the Group owes and for 2023 HMH is not in scope for implementation of Pillar two.

Note 5 Investments in subsidiaries

Name of the subsidiary	Location	Registered office	2023		
			Share capital (USD thousand)	Number of shares held	Percentage owner voting share
MHWirth AS	Norway	Butangen 20, 4639 Kristiansand S	11,361	100,200,004	100%
MHWirth LLC ¹⁾	US	3300 North Sam Houston Pkwy East, Houston, TX 77032, USA	¹⁾	¹⁾	100%
Hydril USA Distribution LLC ¹⁾	US	3300 North Sam Houston Pkwy East, Houston, TX 77032, USA	¹⁾	¹⁾	100%

¹⁾ MHWirth LLC and Hydril USA Distribution LLC are structured as companies without shares. Both companies are fully owned by HMH Holding B.V.

Name of the subsidiary	Carrying amount as of 31.12.2023	Profit / loss(-) for the full year	Equity as of 31.12.2023
MHWirth AS	385,265	-19,214	165,056
MHWirth LLC	3,500	-3,037	5,375
Hydril USA Distribution LLC	406,651	16,672	313,256
Total	795,416	-5,580	483,687

The Company performed a regular annual impairment assessment of its investments to determine whether there was any indication of impairment. The equity of the subsidiaries are below the carrying amount and so impairment trigger were noted. The Company conducted an impairment assessment by comparing the recoverable amount with carrying amount of the investment and concluded no impairment losses had to be recognized. This assessment was further supported by the high performance in the last period and the expectation of profitable development going forward, mitigating the impairment trigger. There have been no instance where previously identified impairments have been reversed.

Name of the subsidiary	Location	Registered office	2022		
			Share capital (USD thousand)	Number of shares held	Percentage owner voting share
MHWirth AS	Norway	Butangen 20, 4639 Kristiansand S	11,361	100,200,004	100%
MHWirth LLC ¹⁾	US	3300 North Sam Houston Pkwy East, Houston, TX 77032, USA	¹⁾	¹⁾	100%
Hydril USA Distribution LLC ¹⁾	US	3300 North Sam Houston Pkwy East, Houston, TX 77032, USA	¹⁾	¹⁾	100%

¹⁾ MHWirth LLC and Hydril USA Distribution LLC are structured as companies without shares. Both companies are fully owned by HMH Holding B.V. recognized impairment losses was identified.

Name of the subsidiary	Carry amount as of 31.12.2022	Profit / loss(-) for the full year	Equity as of 31.12.2022
MHWirth AS	376,517	9,923	174,762
MHWirth LLC	-	-3,758	4,913
Hydril USA Distribution LLC	405,985	-2,893	311,792
Total	782,502	3,272	491,467

The Company performed a regular annual impairment assessment of its investments to determine whether there was any indication of impairment. The equity of the subsidiaries are below the carrying amount and so impairment trigger were noted. The Company conducted an impairment assessment by comparing the recoverable amount with carrying amount of the investment and concluded no impairment losses had to be recognized. This assessment was further supported by the high performance in the last period and the expectation of profitable development going forward, mitigating the impairment trigger. There have been no instance where previously identified impairments have been reversed.

Movements in investments in subsidiaries	Total
Balance at 31.12.2021	782,502
Liability to shareholders ¹⁾	9,413
Balance at 31.12.2022	791,915
Capital contributions ²⁾	3,500
Balance at 31.12.2023	795,415

¹⁾ As part of the original agreement between Akastor and Baker Hughes when forming HMH, it was agreed that all deferred tax assets previously recognized within the new Group, up to the merger date, are deemed to remain the property of their respective original owners. The Group has identified a contingent liability to its former owners, contingent upon the probable utilization of these deferred tax assets in the foreseeable future. Consequently, the Company has recognized a contingent liability of USD 9.4 million and increasing investments in subsidiaries in relation to this matter.

²⁾ The amount relates to a capital contribution in MHWirth LLC made in June 2023.

Note 6 Shareholders' equity and shareholders

Share capital

HMH B.V. has class A and class B shares, with equal rights for all shares. The holders of ordinary shares are entitled to receive dividends and are entitled to one vote per share at General Meetings. Total outstanding shares are 200 at par value EUR 1 per share. As of October 1, 2021, the Group issued Titan share A (50 shares), Titan share B (50 shares), Bear share A (50 shares) and Bear share B (50 shares) all at par value EUR 1. All issued shares are fully paid. Class A and class B shares are with equal rights for all shares. The holders of ordinary shares are entitled to receive dividends and are entitled to one vote per share at General Meetings. Total outstanding shares are 200 at par value EUR 1 per share.

The shareholders are Baker Hughes Holdings LLC (50%), Akastor AS (25%), and Mercury HoldCo Inc (25%). Akastor ASA fully owns Akastor AS and Mercury HoldCo Inc. According to the shareholders' agreement between Baker Hughes and Akastor, the shareholders have joint control of HMH Holding B.V. and its subsidiaries.

Share Capital of EUR 200 consist of 200 shares at par value EUR 1.00. In 2022 or 2023, there have been no change in number of shares issued or change in the Company's share capital.

Shareholders as of December 31, 2023 and 2022

<i>Company</i>	Number of shares held	Ownership
Bake Hughes Holding LLC	100	50%
Akastor AS	50	25%
Mercury HoldCo Inc.	50	25%

Other reserves Share-based payments

The other reserves comprises the effect of the equity-settled share-based payments in the Group. See note 2.4 in Group's consolidated financial statements for more information.

Unappropriated result

Appropriation of the result of 2021 and 2022

The financial statements for the reporting year 2021 and 2022 have been adopted by the General Meeting in May, 2023. The General Meeting has adopted the appropriation of profit after tax for the reporting year 2021 and 2022 as proposed by the Board of Management.

Proposal for profit appropriation 2023

The Board of Management proposes to the General Meeting to appropriate the profit after tax for 2023 as follows: to pay out an amount of USD 0 thousand as dividend and to deduct the remaining amount of USD - 51,689 thousand to retained earnings.

Reconciliation of shareholders' equity and net result per the consolidated financial statements with shareholders' equity and net result per the company financial statements.

	31.12.2023	31.12.2022
Shareholders' equity according to the consolidated statement of financial position	595,881	567,130
Hedge reserve	-1,097	1,770
Pension remeasurement reserve in subsidiaries	-2,036	-2,019
Currency translation reserve in subsidiaries	-2,075	3,051
Accumulated losses from subsidiaries	-76,906	-14,442
Shareholders' equity according to HMH Holding B.V. statement of financial position	513,768	555,490
Amount in Company financial statements	513,768	555,490
Net result according to the consolidated profit and loss account	10,775	-31,860
Profit / loss(-) for the period from subsidiaries	-62,464	3
Net result according to HMH Holding B.V. profit and loss account	-51,688	-31,857

Note 7 Receivables and borrowings from Group companies and related parties**As of December 31**

<i>Amounts in USD thousand</i>	<i>Note</i>	2023	2022
Non-current interest-bearing receivables to Group companies		12,000	42,177
Non-current interest-bearing receivables to related parties		7,977	3,486
Total non-current interest-bearing receivables to Group companies and related parties		19,977	45,663
Indemnification asset		20,414	24,556
Total non-current non interest-bearing receivables to related parties		20,414	24,556
Other receivables to Group companies		11,337	18,889
Current interest-bearing receivables to Group companies		23,857	3,340
Indemnification asset		1,500	-
Total other receivables to Group companies and related parties		36,693	22,229
Non-current interest-bearing liabilities to related parties	8	119,587	110,266
Total interest-bearing liabilities to related parties		119,587	110,266
Current borrowings from Group companies		2,553	-
Total current borrowings from Group companies		2,553	-

Interest-bearing receivables to and borrowings from related parties and Group companies

On April 1, 2023, the Company agreed with the related parties to charge interest of 8 % p.a, the expected maturity date is November 2026.

Non-current interest-bearing liability to related parties is a long-term loan provided by Akastor and Bakers Hughes. See note 8 for terms on borrowings.

HMH Holding B.V. is the Group's central treasury function and enters into borrowings and deposit agreements with Group companies. Deposits and borrowings are done at market terms and are dependent of the group companies' credit rating and the duration of the borrowings.

The intercompany receivables are considered recoverable by management. The carrying values of the recognized current receivables approximate their respective fair values, given the short maturities of the positions. For the non-current receivables, appropriate interest rates are applied.

Indemnification asset

In connection with the merger transaction deal, the Company obtained an indemnification asset. That is related to the pension liabilities Akastor sold to the Company. As result Akastor is contractually obliged to indemnify the Company for that specific liability. An asset was recognized at the same time and measured using the same measurement basis as the liability. This ensured that both the asset and the liability were measured on a consistent basis using similar assumptions.

After initial recognition, an indemnification asset continues to be measured based on the assumptions used to measure the related liability, subject to management's assessment of collectability of the asset, limited to the amount of the liability to which it relates. Remeasurement is accounted for as finance income or finance expenses. For the accounting of the pension receivable please refer to note 7.3 in the Group's consolidated financial statements.

Other Receivables to Group companies

HMH Holding B.V. delivers Global Service Charge, Global IT Service fee and Division service to its subsidiaries and trade receivables to Group companies represent unpaid balances as of December 31, 2023 and 2022.

Cash pool arrangement

HMH Holding B.V. is the owner of the cash pool system arrangement. The cash pool systems cover a majority of the Group geographically and assure good control and access to the Group's cash. Participation in the cash pool is vested in the Group's policy and decided by each company's Board of Directors and confirmed by a statement of participation. The participants in the cash pool system owns their respective cash balances but are jointly and severally liable and it is therefore important that HMH as a group is financially viable and can repay deposits and carry out transactions. Any debit balance on a sub account can be set-off against any credit balance. Hence, a debit balance represents a claim on HMH and a credit balance a borrowing from HMH.

Additional undrawn committed current bank revolving credit facilities amount to USD 28 million including an undrawn overdraft limit amounting to USD 5 million that together with cash and cash equivalents gives a total liquidity reserve of USD 90.5 million as of December 31, 2023 (2022: USD 119.3 million). As of December 31, 2023 and 2022 no cash balances are restricted for use.

As of December 31

<i>Amounts in USD thousand</i>	<i>Note</i>	2023	2022
HMH Holding B.V. cash / net current borrowings (-) in the cash pool system	8	410	-1,280
Cash in cash pool system (owned by the Company)		410	-1,280

Note 8 Borrowings

As of December 31

<i>Amounts in thousand</i>	Currency	Nominal currency value	Carrying amount (USD)	Interest rate margin	Fixed rate	Maturity	Interest Terms
2023							
Bond loan HMM01 ²⁾	USD	-	-	7.00%		Feb 2025	LIBOR + Margin
Bond loan HMM02 ²⁾	USD	200,000	198,928		9.88%	Nov 2026	Fixed rate
Shareholder loan ³⁾	USD	119,587	119,587		8.00%	Oct 2027	Fixed rate
Revolving Credit Facility (USD 80 million)	USD	-	-	4.00%		Feb 2024	LIBOR + Margin
Revolving Credit Facility 2023 (USD 50 million) ¹⁾	USD	22,000	21,128	3.75%		May 2026	SOFR + Margin
Total borrowings			339,643				
Current borrowings			24,469				
Non-current borrowings			315,175				
Total			339,643				

¹⁾ The revolving credit facilities are provided by a bank syndicate consisting of high-quality Nordic and international banks, consisting of: DNB Markets, a part of DNB Bank ASA and Nordea Bank Abp, filial i Norge. The terms and conditions include restrictions which are customary for these kinds of facilities, including inter alia negative pledge provisions and restrictions on acquisitions, disposals and mergers, dividend distribution and change of control provisions.

The covenants are monitored on a regular basis by the HMM Treasury department to ensure compliance with the loan agreements and are tested and reported on a quarterly basis. HMM was in compliance with its covenants as of December 31, 2023, and at the date of approving these financial statements. For information about financial covenants please refer to note 4.1 in the Company's Consolidated Financial Statements.

²⁾ The Bond loan (ISIN code: NO0012428996) was refinanced on November 30, 2023. HMM Holding BV issued on November 30, 2023 a bond (ISIN code: NO0012428996) of USD 200 million with a 3-year tenor and a fixed coupon of 9.88 % per annum. The Group intends to list the bond on the Oslo Stock Exchange in Q3 2024. The terms and conditions include restrictions which are customary for these kinds of debt instruments, including inter alia negative pledge provisions and restrictions on acquisitions, disposals and mergers, dividend distribution and change of control provisions. For information about financial covenants please refer to note 4.1 in the Company's Consolidated Financial Statements.

The existing bond was repaid at 104.71562% of the nominal amount (plus accrued and unpaid interest of the redeemed amount) on November 28, 2023.

Fair values

The fair value of the bond loan HMM 02 was based on DNB Markets High Yield Bond Market Update – Shipping and Offshore Oil Field Services report published January 8, 2024. The fair value of the Bond derived from the DNB Markets report amounts to 101.13%. For the loans with floating interest (all except for the shareholder loans) management assessed that the nominal amount is good approximation of fair value as the interest expected back reflected through the floating interest.

For the shareholder loans the carrying amount is approximately the fair value as this is based on paid in kind interest and what the Company would pay back to the owners at the maturity. The interest of 8% p.a. is reasonable and similar to other external borrowings.

The fair values of financial financial assets and liabilities (specifically the intercompany loans) is approximate the fair value as the interest derived from the market value. Therefore, management followed the IFRS 7.29(a), 13.BC138A, and concluded that the fair values of financial assets and liabilities (long-term liabilities and receivables) carried at amortized cost are approximate their fair values since the the effect of discounting is expected to be immaterial.

Reconciliation of liabilities arising from financing activities

<i>Amounts in USD thousand</i>	January 1, 2023	Non-cash effect ¹⁾	Cash flows	Deferred interest	Amortization	Capitalized borrowing costs ³⁾	December 31, 2023
Term loan facility	35,684	-	-39,226	-	3,542	-	-
Bond loan HMM01 ¹⁾	147,858	-39,941	-110,059	-	2,142	-	-
Bond loan HMM02 ¹⁾	-	39,941	160,059	2,469	101	-3,642	198,928
Shareholder loan ²⁾	110,266	-	-	9,321	-	-	119,587
Revolving credit facilities	8,035	-	-8,035	-	-	-	-
Revolving credit facilities 2023	-	-	22,000	-	25	-897	21,128
Current liability to credit institutions	1,190	-	-1,280	-	90	-	-
	303,033	-	23,459	11,790	5,900	-4,539	339,643

¹⁾ The bond loan of USD 150 million loan (ISIN code: NO0012428996) was refinanced by a issue of new bond loan of USD 200 million (ISIN code: NO0012428996) in 2023. Amount of USD 39.9 million is total rollover from previous bond to new bond.

²⁾ As part of the consideration paid to Akastor and Baker Hughes in relation to the creation of the joint venture, it was established shareholder loans to Akastor and Baker Hughes. The total amount of the shareholder loan is USD 100 million and it will not be settled prior to external debt according to the loan-agreement. Earliest maturity date is set to October 1, 2027. USD 20 million of the loan relates to Akastor, and remaining USD 80 million is a loan from Baker Hughes to HMM.

³⁾ The HMM Holding B.V. paid borrowing cost of USD 11,243 thousand in 2023 and capitalized USD 4,539 thousand of it. Capitalized borrowing costs relate to the amortized costs calculation of the loans.

Note 8 Borrowings (continued)

<i>Amounts in thousand</i>	Currency	Nominal currency value	Carrying amount (USD)	Interest rate margin	Fixed rate	Maturity	Interest Terms
2022							
Revolving credit facility (USD 80 million) ¹⁾	USD	8,000	8,035	4.00%		Feb 2024	LIBOR + Margin
Bond	USD	150,000	147,858	7.00%		Feb 2025	LIBOR + Margin
Term loan Tranche A	USD	29,167	26,838	3.75%		Feb 2024	LIBOR + Margin
Term loan Tranche B	USD	9,722	8,846	4.75%		Feb 2024	LIBOR + Margin
Shareholder loan ²⁾	USD	110,266	110,266		8.00%	Feb 2026	Fixed rate
Current liability to credit institutions ³⁾	USD	1,280	1,190	0.50%			NOWA + Margin
Total borrowings			303,032				
Current borrowings			40,392				
Non-current borrowings			262,640				
Total			303,032				

¹⁾ The revolving credit facilities are provided by a bank syndicate consisting of high-quality Nordic and international banks, consisting of: DNB, HSBC Continental Europe, Nordea Bank Abp and Skandinaviska Enskilda Banken AB. The terms and conditions include restrictions which are customary for these kinds of facilities, including inter alia negative pledge provisions and restrictions on acquisitions, disposals and mergers, dividend distribution and change of control provisions.

The covenants are monitored on a regular basis by the HMH Treasury department to ensure compliance with the loan agreements and are tested and reported on a quarterly basis. HMH was in compliance with its covenants as of December 31, 2022, and at the date of approving these financial statements.

²⁾ As part of the consideration paid to Akastor and Baker Hughes in relation to the creation of the joint venture was by establishing shareholder loans to Akastor and Baker Hughes. The total amount of the shareholder loan is USD 100 million and will not be settled prior to external debt. Earliest maturity date is set to February 1, 2026. USD 20 million of the loan relates to Akastor, and remaining USD 80 million is a loan from Baker Hughes to HMH.

³⁾ The negative balance in cash pool arrangement is a current liability to other HMH entities within the cash pool arrangement. The Group had a net cash asset in the cash pool at group level. For more information see note 7.

Reconciliation of liabilities arising from financing activities

<i>Amounts in USD thousand</i>	January 1, 2022	Cash flows	Deferred interest	Amortization	Capitalized borrowing costs ²⁾	December 31, 2022
Term loan facility	66,140	-30,810	-	592	-237	35,684
Bridge loan facility ¹⁾	148,808	-150,000	-	1,193	-	-
Bond	-	150,000	-	740	-2,882	147,858
Shareholder loan	102,000	-	8,266	-	-	110,266
Revolving Credit Facilities	-	8,000	35	-	-	8,035
Current liability to credit institutions	-	1,280	-	-	-90	1,190
	316,947	-21,530	8,301	2,524	-3,209	303,032

¹⁾ The bond loan was used to refinance the bridge loan facility, see more information in note 4.8 in the Consolidated Financial Statements. All capitalized borrowing cost related to the bond loan was recognized as finance expense in 2022.

²⁾ The HMH Holding B.V. paid borrowing cost of USD 4,105 thousand in 2022 and capitalized of USD 3,209 thousand of it. Capitalized borrowing costs relate to the amortized costs calculation of the loans.

Note 9 Guarantees**Loan guarantee**

Subsidiaries defined as material under the bond terms and facility agreement serve as guarantors for the fulfillment of payment of interest, principal and other specified costs for HMH Holding B.V. The security provided by each guarantor is limited to USD 900 million. The amount is a formality required under Norwegian law and covers outstanding debt, future interest payments, availability of taking on further debt, an also an additional buffer amount.

Note 10 Trade and other payables**Trade and other payables****As of December 31**

<i>Amounts in USD thousand</i>	2023	2022
Trade payables	5,655	2,057
Accrued interest	96	2,777
Accrual for group overhead costs ¹⁾	1,781	8,094
Total trade and other payables	7,532	12,929

¹⁾ The short-term liabilities are based on expected future invoices from group companies and 3rd parties.

Note 11 Financial risk management and financial instruments

Fair value

The fair values of most of the financial instruments recognized on the statement of financial position, including accounts receivable, cash at the bank and in hand, and current liabilities, are approximately equal to their carrying amounts.

Currency risk

Subsidiaries may enter into financial derivative agreements with the parent company to hedge their foreign exchange exposure. Accordingly, derivatives from external banks are used to mitigate the foreign exchange exposure from the financial derivative agreements with the subsidiaries. In addition, HMH Holding B.V. may have cash flow exposure towards its financial assets and liabilities. HMH Holding B.V. may enter into financial derivative agreements to hedge these potential cash flow exposures.

As of December 31, 2023, HMH Holding B.V. had not entered into any foreign exchange derivative contracts. The majority of the monetary assets and liabilities are denominated in USD, hence the currency risk associated with the financial position is considered immaterial.

Interest rate risk

The Company is exposed to changes in interest rates because of floating interest rate on loan receivables and loan payables. The Company does not hedge transactions exposure in financial markets and does not have any fixed interest rate loan receivables nor loan payables. The Company is therefore not exposed to fair value risk on its outstanding loan receivables or loan payables. Interest bearing loan receivables and loan payables expose the Company to income statement and cash flow interest risk.

Interest-bearing borrowings to group companies reflect the cost of external borrowing, reducing the interest risk exposure for HMH Holding B.V.

Credit risk

Credit risk is the risk of financial losses to the Company if a customer or counterparty fails to meet contractual obligations. Credit risk relates to loans to subsidiaries and associated companies, guarantees to subsidiaries and associated companies and deposits with external banks. External deposits are done according to a list of approved banks and primarily with banks where the Company also have a borrowing relationship. Cash and cash equivalents are held with approved banks. The Company considers credit risk on its cash and cash equivalents to be insignificant.

Loss allowances for interest-bearing receivables are made in situations of negative equity if the Company is not expected to be able to fulfill its loan obligations from future earnings. No impairment was recognized in 2023 or 2022. See note 7 Receivables and borrowings from group companies for more information about receivables. The counterparties of HMH is within Drilling and oil business and is larger companies with longer history with either the PCS or ESS business. Receivables to related parties are only toward the owners that are solid companies with good credit rating.

Management is making analyses on the concentration of the credit risk. Based on the current knowledge, no credit risk is related on geographical region or type of subsidiaries. The main type of the receivables is related to group and related parties with good credit ratings. Management believes that there is no concentration of credit risk in 2023 or 2022.

<i>Amounts in USD thousands</i>	<i>Note</i>	Carrying amount as of December 31	Total cash flow	6 months and less	6-12 months	1-2 years	2-5 years	More than 5 years
2023								
Non-current borrowings ¹⁾		315,175	415,804	9,880	9,880	19,760	376,284	-
Current borrowings		24,469	24,590	24,590	-	-	-	-
Trade payable and other current liabilities		7,532	7,532	7,532	-	-	-	-
Current borrowings from Group companies		2,553	2,602	2,602	-	-	-	-
Total financial liabilities		349,729	450,527	44,603	9,880	19,760	376,284	-

¹⁾ The Group does not expects not to settle shareholder loan of USD 100 million (principal amount) is prior to external debt, earliest maturity date is set to October 1, 2027. The loan is subject to an 8% interest rate p.a. which is deferred. See note 8 for details.

<i>Amounts in USD thousands</i>	<i>Note</i>	Carrying amount as of December 31	Total cash flow	6 months and less	6-12 months	1-2 years	2-5 years	More than 5 years
2022								
Non-current borrowings ¹⁾		262,640	268,044	-	-	7,778	260,266	-
Current borrowings		40,392	40,042	24,486	15,556	-	-	-
Trade payable and other current liabilities		12,929	12,929	12,929	-	-	-	-
Total financial liabilities		315,961	321,015	37,415	15,556	7,778	260,266	-

¹⁾ The Group expects not to settle shareholder loan of USD 100 million (principal amount) is prior to external debt, earliest maturity date is set to October 1, 2026. The loan is subject to an 8% interest rate p.a. which is deferred. See note 8 for details.

Note 12 Related parties

Transactions and balances with group companies and related parties are described in the following notes:

Income statement

<i>Amounts in USD thousands</i>	<i>Note</i>	2023	2022
Other revenue	2	7,719	15,460
Operating expenses	2	5,887	11,809
Finance income	3	7,100	4,182
Finance expenses	3	9,165	8,475

Statement of financial position

<i>Amounts in USD thousands</i>	<i>Note</i>	December 31, 2023	December 31, 2022
Investments	5	795,416	791,916
Receivables	7	77,084	92,448
Cash pool, cash / net current borrowings (-)	7	410	-1,280
Guarantees	9	-	-
Liabilities	7	122,140	110,266

Transactions with shareholders

HMH Holding B.V. has class A and class B shares, with equal rights for all shares. The holders of ordinary shares are entitled to receive dividends and are entitled to one vote per share at General Meetings. The shareholders are Baker Hughes Holdings LLC (50%), Akastor AS (25%), and Mercury HoldCo Inc (25%). Akastor ASA fully owns Akastor AS and Mercury HoldCo Inc. According to the shareholders' agreement between Baker Hughes and Akastor, the shareholders have joint control of HMH Holding B.V. and its subsidiaries.

Transactions with key management*Board of directors*

The Board of directors received no remuneration for being directors, for their Directors roles. The members of the Board of directors have no agreements that entitle them to any other remuneration from HMH and neither they have loans, advanced payments, guarantees granted by the Company.

Policy for remuneration the Executive management

As of December 31, 2023, the executive management of HMH Holding B.V comprised of CEO Eirik Bergsvik, CFO Thomas McGee, GC/CAO Dwight Rettig, Pål Skogerbø (President Equipment and System Solutions), Chuck Chauviere (President Pressure Control Systems) and CCO Roy Dyrseth. The Executive management receives remuneration on normal conditions from respective subsidiaries.

Refer to note 7.4 Management remuneration in the Group's Consolidated Financial Statements for details on remuneration paid to key management.

Directors' and Executive management's shareholding

Directors and the members of the executive management have no shares in HMH Holding B.V. as of December 31, 2023, or 2022.

Refer to note 7.5 Commitments and contingencies in the Group's Consolidated Financial Statements for details.

Transactions with group companies

Related party relationships are those involving control (either direct or indirect), 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.

HMH Holding B.V. is a parent company which controls 25 companies around the world. Any transactions between the parent company and the subsidiaries are at arm's length, and is shown line by line in the parent company's financial statements of the parent company.

Associates are accounted for using the equity method. Transactions between the Company and these entities are shown in the table below.

Summary of transactions and balances with related parties in 2023

<i>Amounts in USD thousands</i>	<i>Akastor</i>	<i>Baker-Hughes</i>	<i>Total</i>
Period January 1, 2023 - December 31, 2023			
Income statement			
Net financial items	-1,517	-6,974	-8,491
Balance as of December 31, 2023			
Borrowings / shareholder loans	23,917	95,670	119,587
Indemnification asset	21,914	-	21,914
Current interest-bearing receivables to related parties	4,007	3,970	7,977
Liability to shareholders	8,747	666	9,413

Summary of transactions and balances with related parties in 2022

<i>Amounts in USD thousands</i>	<i>Akastor</i>	<i>Baker-Hughes</i>	<i>Total</i>
Period January 1, 2022 - December 31, 2022			
Income statement			
Net financial items	1,653	6,613	8,266
Balance as of December 31, 2022			
Borrowings / shareholder loans	22,053	88,213	110,266
Non-current receivable related party	3,486	-	3,486
Indemnification asset	24,556	-	24,556

Note 13 Subsequent events

Non-adjusting events

No subsequent events are noted which require adjustments in the annual report or to be disclosed.

No-adjusting events

HMH Holding (Netherlands) B.V. was established and registered in at the Netherlands Chamber of Commerce on 08.02.2024, with HMH Holding B.V. as its sole shareholder. As of the effective date, HMH Holding (Netherlands) B.V. will be a fully consolidated entity of the group.

14 Correction of errors

During 2023, the Group discovered contingent considerations related to its former owners. As part of the original agreement between Akastor and Baker Hughes when forming the Company agreed that all deferred tax assets previously recognized within the new Group, up to the merger date, are deemed to remain the property of their respective original owners. In the result, the Group recognized a contingent liability to its former owners in the amount of USD 9.4 million, contingent upon the probable utilization of these deferred tax assets in the foreseeable future.

The Group has also corrected the classification of interest-bearing receivables to Group companies of USD 3.3 million from non-current to current in 2023.

The errors have been corrected by restating each of the affected financial statement line items for prior periods.

The following tables summarize the impacts on the HHM Holding B.V. stand-alone financial statements:

Company financial statement as of January 1, 2022

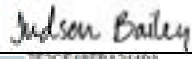
Amounts in USD thousands	As previously reported	Adjustment	As restated
Investments in subsidiaries	782,502	9,413	791,915
Other Non-current assets	109,946	-	109,946
Current assets	18,629	-	18,629
Total assets	911,078	9,413	920,491
Liability to shareholders	-	9,413	9,413
Other Non-current liabilities	135,963	-	135,963
Current liabilities	187,769	-	187,769
Total liabilities	323,732	9,413	333,145
Total group equity as of January 1, 2022	587,346	-	587,346

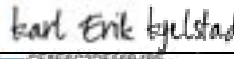
Company financial statement as of December 31, 2022


Amounts in USD thousands	As previously reported	Adjustment	As restated
Investments in subsidiaries	782,502	9,413	791,915
Other non-current assets	73,569	-3,340	70,219
Current assets	18,889	3,340	22,229
Total assets	874,951	9,413	884,364
Liability to shareholders	-	9,413	9,413
Other Non-current liabilities	266,140	-	266,140
Current liabilities	53,321	-	53,321
Total liabilities	319,461	9,413	328,875
Total group equity as of December 31, 2022	555,490	-	555,490


There is no material impact on the HHM Holding B.V stand-alone income statement and statement of comprehensive income, earnings per share and no impact on the total operating, investing or financing cash flows for the years ended 31 December 2023 and 2022.

Amsterdam, April 30, 2024

DocuSigned by:

 Judson Bailey
 (chairman of the board)

DocuSigned by:

 Karl Erik Røstad
 (board member)

DocuSigned by:

 Kristian Mørksen Røkke
 (board member)

DocuSigned by:

 Nancy Bruce
 (board member)

Other information

Appropriation of the result for the year

According to the Article 11.1.1 of the Company's Article of Association, the allocation of the results shall be included in the retained earnings and reflected in the annual accounts as adopted by the General Meeting.

Report of the independent auditor

For the report of the independent auditor, reference is made to following pages of the annual report.

Signatures of the financial statements

The Board of Directors have discussed and approved these financial statements for 2023 of HMH Holding B.V.. These Financial Statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS), their interpretations adopted by the International Accounting Standards Board (IASB) and the additional requirements of the Dutch Civil Code, Book 2, Part 9.

In our opinion, the financial statements give a true and fair view of HMH Holding B.V.'s financial position at December 31, 2023 and of the result of HMH Holding B.V.'s operations and the cash flows for the for the year ended December 31, 2023.

Branch offices

The Group has branch offices in Baku, Azerbaijan that operate under the respective trade name MHWirth Azerbaijan and a branch office in South Korea that operates under the respective trade name MHWirth Korea.

The financial statements for the year ended December 31, 2023 of HMH Holding B.V. were authorized for issue by the Board of Directors on, April 30, 2024.



Independent auditor's report

To: The General Meeting of Shareholders and the Audit Committee of HMH Holding B.V.

Report on the audit of the financial statements 2023 included in the annual report

Our opinion

In our opinion the accompanying financial statements give a true and fair view of the financial position of HMH Holding B.V. as of December 31, 2023 and of its result and its cash flows for the year then ended, in accordance with IFRS Accounting Standards as endorsed by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Dutch Civil Code.

What we have audited

We have audited the financial statements 2023 of HMH Holding B.V. based in Amsterdam.

The financial statements comprise:

- 1 the consolidated and company statement of financial position as of December 31, 2023;
- 2 the following consolidated and company statements for the year ended December 31, 2023: the income statement, the statements of other comprehensive income, the statements of cash flows and changes in equity; and
- 3 the notes comprising material accounting policy information and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of HMH Holding B.V. in accordance with the 'Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Dutch Code of Ethics).

We designed our audit procedures in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The information in respect of going concern, fraud and non-compliance with laws and regulations, and the key audit matters was addressed in this context, and we do not provide a separate opinion or conclusion on these matters.



We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information in support of our opinion

Summary

Materiality

Consolidated financial statements

- Materiality of USD 6.4 million
- 0.8% of the revenue

Company financial statements

- Materiality of USD 5.1 million
- 0.6% of total assets

Group audit

- Audit coverage of 81% of total assets
- Audit coverage of 86% of revenue

Risk of material misstatements related to Fraud, NOCLAR and Going concern

- Fraud risks: presumed risk of management override of controls and presumed risk of revenue recognition. Identified and further described in the section 'Audit response to the risk of fraud and non-compliance with laws and regulations'.
- Non-compliance with laws and regulations (NOCLAR) risks: no reportable risk of material misstatements related to NOCLAR risks identified.
- Going concern risks: no going concern risks identified.

Key audit matters

- Impairment of Goodwill
- Revenue recognition –construction contracts
- Revenue recognition –sales of products and rendering of services



Materiality

Based on our professional judgement we determined the materiality for the consolidated financial statements as a whole at USD 6.4 million (2022: USD 5 million) and for the company financial statements as a whole at USD 5.1 million (2022: USD 3.4 million).

The materiality for the consolidated financial statements is determined with reference to the relevant benchmark, being 0.8% of the revenue. We consider revenue as the most appropriate benchmark because it serves as the foremost metric utilized by stakeholders. The increase in materiality levels between the years is directly associated with the increase in revenues.

The materiality for the company financial statements is determined with reference to the relevant benchmark, being 0.6% of total assets. We consider total assets, which mainly include investment in subsidiaries, as the most appropriate benchmark, given the activities of the stand-alone Company as a group holding and investment company.

We have also taken into account misstatements and/or possible misstatements that in our opinion are material for the users of the consolidated and company financial statements for qualitative reasons.

We agreed with the Board of Directors that uncorrected misstatements identified during our audit in excess of USD 285,000 and USD 250,000 of the consolidated and company financial statements respectively, would be reported to them, as well as smaller misstatements that in our view must be reported on qualitative grounds.

Scope of the group audit

The Company is at the head of a group of components. The financial information of this group is included in the financial statements of the Company.

Our group audit mainly focused on significant components in terms of size and financial interest or where significant risks or complex activities were presenting, leading to audits of the complete reporting package of 7 components [2022: 6 components] (including the stand-alone Company). This represents an audit coverage of 81% of total assets [2022: 91%] and 86% of revenues [2022: 83%].

We have:

- performed audit procedures ourselves at stand-alone Company;
- made use of the work of KPMG Oslo regarding the consolidation audit work and jointly reviewed components work for the audit of Hydril USA Distribution LLC, MHWirth AS (including Baku branch), MHWirth GmbH, MHWirth do Brasil Equipamentos Ltda. and HMM Drilling Asia Pte. These components were deemed financially significant or significant due to risk.

To facilitate this process, detailed instructions jointly prepared by KPMG Oslo and KPMG Netherlands were issued to KPMG Brazil, KPMG USA, KPMG Kristiansand (Norway), KPMG Germany and KPMG Singapore. These instructions covered critical areas, including the relevant risks of material misstatement, and outlined the information necessary for reporting to the group audit teams.



Throughout the audit cycle, we conducted conference calls with KPMG Oslo, KPMG Brazil, KPMG USA, KPMG Kristiansand, KPMG Germany and KPMG Singapore, spanning from the planning phase to the completion of the audit. Additionally, we arranged physical meetings and visited KPMG offices in the USA, Norway and Singapore to directly review files. The audit files of KPMG Brazil and KPMG Germany were examined indirectly through online access to audit documentation.

For the residual population not in scope we performed analytical procedures to corroborate that our scoping remained appropriate throughout the audit.

By performing the procedures mentioned above at group components, together with additional procedures at group level, we have been able to obtain sufficient and appropriate audit evidence about the group's financial information to provide an opinion on the financial statements.

Audit response to the risk of fraud and non-compliance with laws and regulations

In the paragraph 'Significant risks and uncertainties' of the management report, the Board of Directors describes the procedures in respect of the risk of fraud and non-compliance with laws and regulations.

As part of our audit, we have gained insights into the Company and its business environment and assessed the design and implementation of the Company's risk management in relation to fraud and non-compliance. Our procedures included, among other things, assessing the Company's code of conduct, whistleblowing procedures, incidents register, and its procedures to investigate indications of possible fraud and non-compliance. Furthermore, we performed relevant inquiries with management and other relevant functions, such as Legal Counsel and Compliance. We have also incorporated elements of unpredictability in our audit, such as integrating a new component into the scope involving Baker Hughes Drilling Asia Pte (Singapore).

As a result from our risk assessment, we identified the following laws and regulations as those most likely to have a material effect on the financial statements in case of non-compliance:

- Anti-bribery and corruption laws and regulations.
- Anti-money laundering laws and regulations.
- Trade sanctions and export controls laws and regulations.

Based on the above and on the auditing standards, we identified the following presumed fraud risks laid down in the auditing standards and that are relevant to our audit and responded as follows:

Management override of controls (a presumed risk)

Risk:

Management is in a unique position to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively, such as accounting records around the estimate related to valuation of assets and liabilities.

Responses:

- We evaluated the design and the implementation of internal controls that mitigate fraud and non-compliance risks, such as processes related to journal entries and estimates.

- We performed a data analysis of journal entries to determine any potential high-risk criteria and performed procedures for any identified risk, such as a screening of journal entries which contain specific words or unexpected journal entry bookings.
- We incorporated elements of unpredictability in our audit, integrating a new component into the scope involving Baker Hughes Drilling Asia Pte (Singapore).
- We reviewed accounting estimates for bias by evaluating whether judgements and decisions in making accounting estimates, even if individually reasonable, indicate a possible bias.
- We evaluated the business rationale for significant transactions that are outside the normal course of business for the entity, or that otherwise appear to be unusual.
- We identified and tested relevant controls over journal entries and post-closing adjustments.
- We evaluated the appropriateness of all material manual and late adjustments made during the consolidation process.
- We made inquiries of individuals involved in the financial reporting process about inappropriate or unusual activity relating to the processing of journal entries and other adjustments.

Revenue recognition (a presumed risk)

Risks:

There is a risk of inaccurate and premature revenue recognition in relation to construction contracts (over time revenue), as it is a complex area and it involves a high degree of judgement. The potential effects of these estimates could be material, increasing the risk of error. Moreover, there is a presumed risk of fraud linked to potential overstatement of revenue or margin.

There is a presumed risk of fraud on revenue recognition concerning product sales and service rendering, this risk is heightened due to the substantial volume of transactions involved. Product revenue is recognized at the point of sale, whereas service revenue is recognized over time.

The risk of fraud extends to the risk associated with revenue cut-off, (risk of intentional shifting the revenue between periods). This applies to both service and product revenue streams.

Response:

- We refer to our key audit matters: 'Revenue recognition - accounting for construction contract profit' and 'Revenue recognition –sales of products and rendering of services'.
- Our evaluation of the procedures performed in relation to fraud and non-compliance with laws and regulations did not result in an additional key audit matter.
- We communicated our risk assessment, audit responses and results to the Board of Directors and the Audit Committee of the Company.
- Our audit procedures did not reveal indications and/or reasonable suspicion of fraud and non-compliance that are considered material for our audit.



Audit response to going concern

The Board of Directors has performed its going concern assessment and has not identified any going concern risks.

Our main procedures to assess the Board of Directors' assessment were:

- We considered whether the Board of Directors' assessment of the going concern risks includes all relevant information of which we are aware as a result of our audit.
- We inspected the terms of conditions of the financing agreements that could lead to going concern risks, the term of the agreement and any covenants.
- We analysed the Company's financial position, result of the year and cashflow as at year-end 2023 and compared it to December 31, 2022 in terms of indicators that could identify going concern risks.

The outcome of our risk assessment procedures did not give reason to perform additional audit procedures on the Board of Directors' going concern assessment.

Our 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. We have communicated the key audit matters to the Audit Committee. The key audit matters are not a comprehensive reflection of all matters discussed.

Compared to last year, the key audit matter with respect to 'Revenue recognition – sales of products and rendering of services' has been added due to increased transaction volume, heightened complexity in the recognition process, evolving regulations, and the professional judgement of the audit team.

Impairment of Goodwill

Description

At December 31, 2023, the total carrying value of goodwill stands at USD 287 million (December 31, 2022: USD 287 million).

Goodwill is tested for impairment at least annually to ensure there is no case of any triggering event that indicates the possibility that the carrying amount might not be fully recoverable.

The valuation of goodwill holds substantial importance in our audit process due to the considerable magnitude of the figure. Furthermore, the calculation for the impairment test relies on key assumptions such as revenue growth, EBITDA margin and discount rate which are primarily estimated by the management and inherently involve judgment.

These key assumptions encompass the projection of anticipated future cash flows over a five-year forecasting period, determination of the discount rate, and evaluation of the perpetual growth rate for each cash-generating unit for the 2023 audit year.

Our response

- We assessed the reasonableness of key assumptions and ensured that all cash-generating units have been accurately identified in respect of the impairment testing.



- With the assistance of KPMG valuation specialists, we assessed the discount rates applied in cash flow forecasts with reference to available market data and comparable companies' credit risk.
- We evaluated management's assessment and challenged management on the growth assumptions in the cash flow forecasts, including the forecasted revenue growth and EBITDA margins by assessing a range of outcomes based on varying assumptions independently determined, including comparison to historical growth rates and industry peers.
- We assessed the calculations and rationale supporting the impairment of the cash generating units by performing our own independent sensitivity analysis of management's models.
- We evaluated the appropriateness of the accounting principles applied based on IAS 36 requirements and the adequacy of relevant disclosures to the consolidated financial statements.

Revenue recognition – construction contracts

Description

As stated in the 'Audit response to the risk of fraud and non-compliance with laws and regulations' section of our auditor's report, there is a risk of inaccurate and premature revenue recognition in accordance with IFRS 15 in relation to construction contracts (over time revenue) as it is affected by subjective elements.

Key area of judgement applied is estimating costs to complete and projected revenue, whether impacted by change orders, project progress and/or (potential) disputes. Due to the aforementioned risk of inaccurate and premature revenue recognition and since construction contracts involve significant judgement in estimation of future contract costs, we consider the revenue recognition as a key audit matter and as a significant fraud risk.

Our response

- We inspected the accounting policy to ensure the approach and methods for revenue recognition are appropriate and have been applied consistently in accordance with IFRS 15 'Revenue from Contracts with Customers'.
- We obtained an understanding of internal controls, including testing of design and implementation of control activities with respect to project management, project accounting and the project results estimation process, and evaluated the design of the controls over the Board of Directors' estimation process.
- We challenged management's assumptions in determining if certain contracts contain single or multiple performance obligations by obtaining, reading, and critically assessing the terms and conditions of relevant contractual documents.
- We evaluated management's process for assessing the stage of completion and the method applied in accordance with IFRS 15 'Revenue from Contracts with Customers' including verifying management's input for the stage of completion calculation and reperformed it.

- We inspected and challenged project reports and other assessments made by management comparing the current forecasts to historical outcomes, where relevant.
- We challenged management on the estimate of costs to complete and the risk assessment related to fulfilment costs.
- We assessed the adequacy of the presentation of revenue-related disclosures in the consolidated financial statements.

Our observation

The results of our procedures on revenue recognition were satisfactory. We consider the disclosures relating to revenue recognition, as included in note 2.1 in the consolidated financial statements, to be adequate.

Revenue recognition –sales of products and rendering of services

Description

Services and products revenue involve a high volume of transactions, while product revenue is recognized at a point in time and service revenue is recognized over time. There is a risk of fraud (risk of intentional shifting the revenue in a different period) related to the cut-off on the revenue stream for service and product.

Our response

- We inspected the accounting policy to ensure the approach and methods for revenue recognition are appropriate and have been applied consistently in accordance with IFRS 15 'Revenue from sales of products and rendering of services'.
- We obtained an understanding of internal controls, including testing of design and implementation of control activities with respect to timely recognition of the products and services revenue.
- We challenged management's assumptions in respect of satisfied performance obligations and related to revenue recognized.
- We tested the revenue around year-end to ensure that the sales of products and the rendering of services are recognized in the correct accounting period.
- We performed substantive procedures over credit notes, rebates and discounts after the reporting date to ensure that revenue has been recognized in the appropriate accounting period.
- We assessed the adequacy of the presentation of revenue-related disclosures in the consolidated financial statements.

Our observation

The results of our procedures on revenue recognition were satisfactory. We consider the disclosures relating to revenue recognition, as included in note 2.1 in the consolidated financial statements, to be adequate.



Report on the other information included in the annual report

In addition to the financial statements and our auditor's report thereon, the annual report contains other information.

Based on the following procedures performed, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements; and
- contains the information as required by Part 9 of Book 2 of the Dutch Civil Code for the management report and other information.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is less than the scope of those performed in our audit of the financial statements.

The Board of Directors is responsible for the preparation of the other information, including the information as required by Part 9 of Book 2 of the Dutch Civil Code.

Report on other legal and regulatory requirements

Engagement

We were engaged by the General Meeting of Shareholders as auditor of the Company on 13 December 2022, with respect to the audit for the year 2021 and have operated as statutory auditor ever since that financial year.

No prohibited non-audit services

We have not provided prohibited non-audit services as referred to in Article 5(1) of the EU Regulation on specific requirements regarding statutory audits of public-interest entities.

Description of responsibilities regarding the financial statements

Responsibilities of Board of Directors and the Audit Committee for the financial statements

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with EU-IFRS and Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the Board of Directors is responsible for such internal control as the Board of Directors determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error. In that respect the Board of Directors, under supervision of the Audit Committee, is responsible for the prevention and detection of fraud and non-compliance with laws and regulations, including determining measures to resolve the consequences of it and to prevent recurrence.



As part of the preparation of the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, the Board of Directors should prepare the financial statements using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors should disclose events and circumstances that may cast significant doubt on the Company's ability to continue as a going concern in the financial statements.

The Audit Committee is responsible for overseeing the Company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

A further description of our responsibilities for the audit of the financial statements is included in Appendix 1 of this auditor's report. This description forms part of our auditor's report.

Amstelveen, 1 May 2024

KPMG Accountants N.V.

L.M.A. van Opzeeland RA

Appendix 1: Description of our responsibilities for the audit of the financial statements



Appendix 1

Description of our responsibilities for the audit of the financial statements

We have exercised professional judgement and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

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

We are solely responsible for the opinion and therefore responsible to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the financial statements. In this respect we are also responsible for directing, supervising and performing the group audit.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit. We 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 Audit Committee, we determine the key audit matters: those matters that were of most significance in the audit of the financial statements. 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, not communicating the matter is in the public interest.

Appendix 13 - Annual Financial Statements as of and for
the financial year ended 31 December 2024 for HMM
Holding B.V.



Annual Report
2024
HMM Holding B.V.

Content

Management Report	3
Consolidated Financial Statements of the Group	40
Consolidated income statement and Consolidated statement of other comprehensive income	41
Consolidated statement of financial position	42
Consolidated statement of cash flows	43
Consolidated statement of changes in equity	44
Notes to the consolidated financial statement	45
Company Financial Statements	87
Income statement and statement of other comprehensive income	88
Statement of financial position	89
Statement of cash flows	90
Statement of changes in equity	91
Notes to the company financial statements	92
Other information	103
Independent Auditor's Report	104



HMH Management Report 2024

For the year ended 31 December 2024

April 28, 2025



Management report

The Directors of HMH Holding B.V. (the Company) hereby present their report for the financial year ended on 31 December 2024.

The management report also covers the development of the business, the results of operation, the financial position of HMH (the Group) and the effects of its activities. Furthermore, the report covers the proper understanding of the business model of the Group and its policies including anti bribery policy, environment, social and personnel affairs (referring to section Environmental and personnel-related information), respect for human rights and know your customer policy (KYC).

The report herein may contain certain forward-looking statements relating to the Company, and consolidated subsidiaries (the Group) that are based on the beliefs of the Group's management as well as assumptions made by and information currently available to the Group's management. These forward-looking statements are, by their nature, subject to significant risks and uncertainties. These forward-looking statements include, without limitation, statements relating to the Group's business prospects, future developments, trends and conditions in the industry and geographical markets in which the Group operates, its strategies, plans, objectives and goals, its ability to control costs, statements relating to prices, volumes, operations, margins, overall market trends, risk management and exchange rates.

These forward-looking statements reflect the Group's views at the time such statement was made with respect to future events and are not a guarantee of future performance or developments.



Overview and outlook

Business overview

The Company was incorporated as a limited liability company on April 28, 2021 and is organized and existing under the laws of the Netherlands. In total HMH Holding B.V. has issued 200 shares with a nominal value of 1 EUR leaving HMH Holding B.V. with a share capital of EUR 200.

The shareholders are Baker Hughes Holdings LLC (50%), Akastor AS (25%), and Mercury HoldCo Inc (25%). Akastor ASA fully owns Akastor AS and Mercury HoldCo Inc. According to the shareholders' agreement between Baker Hughes and Akastor, the shareholders have joint control of the Company and its subsidiaries.

The Company is seated in Amsterdam and is registered in the Chamber of Commerce with CCI number 82719322, RSIN number 862578796.



The objectives of the Company are according to the Articles of Association §2.2;

- to incorporate, to in any manner participate or take any other interest in, to manage and to supervise businesses and companies of whatever nature;
- to give advice and to provide services to businesses and companies with which the Company is affiliated;
- to finance businesses and companies with which the Company is affiliated;
- to borrow and to raise funds, including the issuing of bonds, issuing guarantees, debentures, or other securities, and to enter into related agreements; and
- to issue guarantees, to commit the Company to encumber the assets of the Company for the benefit of businesses, companies, and other legal entities with which the Company is affiliated

HMH Holding B.V. is

The Group is a glob

© 2006 The Authors
Journal compilation © 2006 Blackwell Publishing Ltd



The Group delivers global full-service offshore and onshore drilling equipment which provides customers with a broad portfolio of products and services that are designed to be safer and more efficient. The Group also actively embraces opportunities in other industries including offshore wind, subsea mining, civil construction, and innovative digital solutions.

The Group has two operating segments: Equipment and System Solutions (ESS) and Pressure Control Systems (PCS). The segments are managed by the Chief Operating Decision Maker (CODM), who is our Chief Executive Officer, and offer different products and services. However, the Group, via its two segments, provides global full-service delivery to customers in the same market segments, including the main categories of products and services discussed below.

ESS is a supplier of drilling solutions and complete top side drilling packages and services to both onshore and offshore oil and gas producers and drilling contractors, which includes overhaul, equipment installation and commissioning, services account management, 24/7 technical support, logistics, engineering upgrades, spare parts supply, training, condition-based maintenance, and other services. The ESS business consists of the legacy MHWirth business.

PCS is a supplier of integrated drilling products and services, and the key product offering consists of BOP systems, controls and drilling riser equipment, spare parts supply for rig operations and maintenance programs, overhaul and recertification and reactivation of rigs, technical and operational rig support which includes a 24/7 support center and Contractual Service Agreements/ Long Term Service Agreements. The PCS business consists of the legacy Subsea Drilling Systems business within Baker Hughes.

Main markets and business segment products and services

The Group is a leading provider of highly engineered, mission-critical equipment solutions, providing customers with a comprehensive portfolio of drilling equipment, services and systems utilized in oil and gas drilling operations, both offshore and onshore. Our global reach, technical expertise and innovative product offerings, coupled with our integrated operations from manufacturing to aftermarket services, allow us to provide customers with first class technology, engineering and project management services through the entire asset lifecycle of the equipment we provide. In addition, the Group is growing the portfolio of products and services to adjacent industries, such as mining. The complexity and criticality of our installed equipment drive customers to choose us for their aftermarket support, particularly in the offshore environment, which is subject to extensive local laws and regulation, including complex environmental laws, occupational health and safety laws and moratoriums on drilling.

The Group's comprehensive portfolio of offerings, supported by integrated delivery capabilities and broad range of applications, enables us to address a full range of customer priorities. The Group's offerings is broadly categorized as:



- **Sales of projects and products.** This includes (i) comprehensive drilling equipment packages containing a full suite of components needed for a newbuild or reactivated drilling rig and (ii) individual or grouped components of drilling and pressure control equipment that facilitate customers maintaining and upgrading their existing fleet.
- **Aftermarket services.** This includes services on installed equipment and integrated digital solutions. Our aftermarket services facilitate customers maintaining and improving the lifespan, safety and efficiency of their existing drilling rig fleets.
- **Sales of spare parts.** This includes replacement parts for installed equipment used in oil and gas drilling operations.



Drilling (offshore and onshore)

The Group is comprised of (1) ESS' s topside drilling equipment packages (top drives, draw works, derricks, etc.) mud systems, and drilling risers, and (2) PCS' pressure control equipment (blowout preventers (BOP), control systems, diverters, etc.) and drilling riser equipment. The Group's comprehensive portfolio serves all drilling segments, including floaters (semisubmersibles and drillships), jack-ups, platform rigs, and onshore rigs.

The Group's primary customers include rig builders and/or owner operators in all segments, such as drilling contractors, oil companies, and shipyards.

The Group's main product offering and key customers supports the following segments:



ESS

- Topside equipment, derrick handling, control systems and automated solutions, mud systems for floaters, jack-ups, platform rigs, and onshore rigs
- Risers for floaters

PCS

- Pressure control systems and BOPs for floaters, jack-ups, platform rigs, and onshore rigs

The Group's combined offering can be split into three main categories:

- Projects and products
- Aftermarket services (including rig intelligence/digital solutions)
- Spare parts

The project and products are provided across most drilling markets, either as single equipment sales or as part of larger construction projects.

Furthermore, the Group offers aftermarket services for installed products, such as intelligence/digital solutions, maintenance, and overhaul and repair, securing repeat business and stable income for the duration of the lifetime of a rig.

Rig intelligence/digital solutions encompasses digital products and services that enable operational optimization such as drilling automation and condition-based maintenance. These offerings are an important revenue driver as they provide upgrade opportunities, and the technology can be redeployed in new business segments to provide for additional revenue.

Finally, the Group provides a broad range of replacement and spare parts for installed equipment used in both onshore and offshore oil and gas drilling operations. The Group's spare parts replace existing installed components on rigs that have weathered the wear-and-tear involved with repetitive use throughout the lifecycle of a rig, especially in harsh offshore environments, and keep rigs functioning safely and efficiently. The Group's spare parts are compatible with the Group's current and growing base of equipment installations globally, and such spare parts are also compatible with, and can serve as replacements for, equipment from most other OEMs.

Mining and Construction

For mining operators, the Group sells products and services directly to mining companies, and typically sells equipment directly to those engaged in hard rock mining operations, in particular.

ESS participates in certain non-oil related industries, primarily through provision of products and services to



the mining and construction segments. These include pile top drilling rigs, heavy duty slurry pumps and offshore mining equipment.

- Slurry pumps are the Group's mud pumps that have been redesigned to be utilized in the transport of slurry in mining applications.
- The pile top drilling rig (PBA) is an adjacent market for hard rock drilling in on - and offshore applications. The Group believes, it is a market leader with several PBAs sold.
- Subsea mining – the Group has provided equipment for a fleet of 5 drilling and mining vessels, all equipped with HMH drilling/mining systems.
- Seabed research – the Group has provided core sampling and methane hydrate investigation.

Opportunities in renewable markets

The Group has identified opportunities to leverage its expertise within sectors focused on energy transition. The Group has highlighted offshore wind, geothermal and digital solutions as three key areas of potential future growth. Opportunities in renewable industries are available in the following markets:

- Offshore wind - installation, operation & maintenance
- Digital solutions – SCADA, operational management systems, data collection & analytics
- Geothermal – drilling and controls





Outlook

The Group expects 2025 activity to remain at similar levels as in 2024 for both ESS and PCS business units, with growth anticipated in subsequent years. Further details on the trends and key drivers supporting this outlook are provided below.

Offshore Drilling

After low commodity prices and record-low levels of investment were seen between 2015 and 2021, the oil and gas industry experienced an increase in overall investments, rig demand and rig contracting activity in 2022 and 2023, supported by an increase in oil prices, and overall oil demand growth. In 2024 the Group continued to see growth in overall investments and overall rig demand. However, the Group also saw a slowdown in rig contracting activity. This was in great part because operators are managing delays in FPSO and equipment deliveries, trying to appease the pressure of financial markets, and looking to manage rig dayrates, which had significantly grown in the previous 2 years. With a slowdown in contracting activity, the industry started to see drops in utilization levels, and drilling contractors now have more contractual gaps in their 2025 rig schedules,

While some industry experts diverge in their views for 2025, with some now forecasting rig demand growth in some rig categories and drops in others (see Rystad's forecast figures shown in the text below), and other analysts forecasting small drops across all segments, they all agree that overall growth trends for floaters will reinvigorate in 2026 and continue for the subsequent years.

Rystad Energy expects floater demand to grow from 121 rig years in 2024 to 128 rig years in 2025 and yet again in 2026 to ~137 rig years. Most of this growth is to come from Brazil, and from deepwater and ultra deepwater projects. Most plays in these basins are highly productive, which translates into high economic returns and lower emissions intensity vis-à-vis other oil and gas plays.

Rystad forecasts that jack-up demand is to drop slightly in 2025, going from a total demand of ~368 rig years in 2024 to ~365 in 2025. This trend is driven by a drop in Middle East and North Africa (MENA) demand, which is to be balanced by growth YoY in other regions.

With this backdrop, the Group management expects the number of active units equipped with the Group's equipment in 2025 to remain at similar levels as those seen in 2024 and maintain their positive views for the overall outlook of this industry.

With limited yard availability, and the costs to build new floaters being at high levels, the Group expects drilling contractors to address increases in demand with the existing asset base (e.g. rigs that are currently active, stacked or under construction). In line with this trend, the Group estimates increased ESS and PCS activity in subsequent years after 2025, and revenue related to the re-activation, and delivery of rigs as well as recertification of equipment in the short-term.

It is important to bear in mind that many of the rigs that are currently active have been in operation for



several years. In some cases, these units are equipped with older control systems that will need to be upgraded for them to remain marketable. Therefore, the Group expects to see growth in activity and revenue related to upgrades of drilling equipment and BOP control systems in the short to mid-term.

It is also important to consider that even though marketed utilization levels in both the floaters and jack-up segments, have dipped in 2024, Rystad is still reporting Committed Utilization levels to be above 80% in both segments. Furthermore, the number of remaining cold stacked assets or rigs under construction that can be brought onto the active supply to address growing demand has significantly shrunk in the last couple of years, and most of the rigs that are currently listed as cold stacked, have been in that state for several years. In most cases, significant investment would be required to bring them back to an operational state. Therefore, many of these units could end up being retired/scrapped, meaning that drilling contractors may have a smaller universe of acceptable rigs from which to choose if demand continues to surge.

An unexpectedly large increase in global demand for oil and gas could, therefore, ultimately accelerate the arrival of the next drilling rig build cycle. In that event, the Group would be very well positioned to take advantage.

Onshore Drilling

The onshore drilling market represents a small part of the Group's product portfolio but is becoming an increasingly important segment on the back of its expanding penetration within the Middle East, North Africa and Latin America.

Onshore activity in the Middle East is expected to be a key growth driver, as E&P companies in the region, continue to make investments to increase local production of oil and gas. Rig utilization levels in the region are growing, and technical requirements are becoming more demanding. Local operating companies are looking to drill wells in increasingly challenging environments at higher temperatures and pressures, and companies with a technology edge such as the Group may be better positioned to provide products that deliver optimal performance in such conditions.

Mining

The Group operates within the onshore and offshore mining industry. On the back of increased demand for batteries and digital technologies, the mining sector has seen growth in recent years, and the Group has benefitted from this trend. More than 40 newbuild slurry pumps have been ordered from the group since 2020. With an increasing number of pumps in operation globally, the group expects to see revenue growth from this sector in 2025.

Growth in the mining sector is expected to continue in coming years. The International Energy Agency estimates that in response to the shift to net zero, the world will require more mining, projecting that the annual demand for critical minerals from clean energy technologies will surpass USD 400bn by 2050, which is equivalent to the annual revenues of the current coal market.



In this context, the Group management expects to see yearly sales growth for its slurry pumps remain consistent with, or exceed, market growth. New regulations governing dewatering of slurry may further generate incremental demand for the type of heavy-duty slurry pumps that the Group produces, as higher discharge pressure pumps may be required to handle the transport of more concentrated fluids.

Renewable industries

The Group has identified opportunities to leverage its expertise within sectors focused on energy transition. The Group has highlighted offshore wind, geothermal and digital solutions as three key areas of potential future growth.

Other Markets

The Group is seeing a growing share of its revenue base from supporting industries that sit outside, or are adjacent to, the oil and gas sector. This is consistent with the general service market seeking opportunities outside oil and gas exploration to become broader energy service companies. The Group is increasingly targeting the onshore and subsea mining market as well as the renewable energy industry, which the Group expects to provide opportunities to expand its total installed base and service revenues.

Resources

The Group is looking to attract additional resources in various growth areas and seeks to establish key resources in regions where capabilities are available, costs are competitive, and market conditions and future scenarios of the Group are favorable. This strategic approach will ensure that the Group's resource allocation aligns with the evolving market dynamics and long-term objectives.

Capital Expenditure

In the next three-year period, the Group will focus its capital expenditure on operational and strategic investments. Operational investments consist of maintenance and growth capital for the Group's world class facilities and equipment ensuring the Group meets customer needs. Strategic investments are related to initiatives supporting the development requirements related to new technology in the aforementioned market segments will be the main driver in the investment strategy.

Operational performance

The Group's financial estimates for the period 2025 to 2027 are based on organic and transactional growth, with a strategic focus on analyzing the worldwide market and pursuing growth opportunities where they are deemed favorable. Improvement of financial performance is a key priority, and the outlook in key business areas displays an inclining trend. The projected increase in rig count for floaters and jack-ups is expected to drive service revenue, margins, and cash flow growth, further enhancing operational performance.

The Group aims to continue its research and development consistent with prior years. The Group expects



sustained performance and delivery on growth targets will assure the Group has ample financing and equity opportunities to fund future growth.

Strategy and business

Research and development information

Current R&D activities are spread across Norway, Germany and the United States. The focus of R&D activities involves optimizing existing products and exploring new opportunities which complement our business model.²

The Group is committed to making those necessary investments to improve the capabilities of existing core products and to create new product offerings to fuel organic growth.

The Group has three major R&D programs that continued execution in 2024:

- i) Development a rotating control device (RCD) along with associated equipment to enable open water, riser less drilling. We believe, it will be a “first of its kind” deployment that was enabled through our acquisition of Electrical Subsea & Drilling AS (ESD).
- ii) Design and construct a testbed for the development of electrical BOP actuators, motors, and controllers for use offshore surface (platforms, jack-ups), subsea and land applications. Like the RCD, the key technology drivers were acquired through our purchase of ESD. This testbed is also being used to bring in potential partners together to aid in the design and qualification effort.
- iii) Development of automation and digitalization solutions and digitally powered services to improve customer efficiency, reduce emission and improve customer competitiveness.

All R&D programs will continue into 2025, and the Group continues to explore potential partnership avenues to aid in our development efforts. New R&D efforts for 2025 and beyond include development and production of the fully electric BOP for both offshore surface (platforms and jack-ups) and subsea use, for which the Group is working with several publicly listed oil and gas companies to help fund development. The Group expect a significant portion of funding to come from operator partners. As with the development of the rotating control device, the development of the electric BOP has been enabled by our acquisition of Electric

² The accounting treatment for R&D expenditures is described in note 1.2 in the consolidated financial statements.



Subsea Drilling AS (“ESD”). Additionally, the Group is developing next-generation elastomers for oilfield sealing applications, including those outside our current space, in cooperation with a major operator.

As the Group experiences strong demand for our adjacent markets, part of our R&D efforts has focused on improving and further developing existing products such as slurry pumps portfolio, equipment and systems for seabed mining and large PBAs. Additional work has been made exploring new opportunities in adjoining industries where we see a good fit with the Group’s competency and our core “DNA”. This work has resulted in key priorities and market leads in 2024 that we will continue to explore in 2025.

The Group plans to focus our development efforts on the coming years into “game-changing” technologies as open water drilling and electric BOP.

Capital management

The majority of the Group’s capital consists of its net equity, secured bonds, current and non-current loans, committed credit facilities and borrowings.³

Management monitors and assesses the capital requirements for the Group and ensures that enough funding is available to meet the working capital requirements and for the future business development. To raise funding, the Group considers a wide range of financing options including committed credit facilities, bond issuances and equity contributions.

The Group believes that existing cash on hand, cash generated from operations and available capacity under the committed credit facility of USD 50 million and the USD 200 million senior secured callable bond will be sufficient to meet the Group’s liquidity needs in the short term and long term. The Group intends to list the USD 200 million senior secured bond (HMH02) on the Oslo Stock Exchange during the first half of 2025, with a maturity date of November 2026.

HMH Holding B.V., the parent company of the Group, must comply with certain financial covenants under its Facility Agreement and bond terms.⁴ The Group’s current funding requirements have been met from operations and from the existing debt instruments.

The Group’s Capital Management Policy is to maintain a strong capital base to improve and maintain the confidence of investors, creditors, and the market. In addition, the Group is focusing on establishing a future strong capital base that will make the Group able to organically and transactionally grow the Group’s footprint. The Group has a strong focus on EBITDA and monitors the development closely through regular status meetings and reviews.

³ Note 4.5 and 4.7 in the consolidated financial statements for further details.

⁴ Note 4.5 in the consolidated financial statements for further details.



Significant risks and uncertainties

The Group is exposed to various forms of market, operational and financial risks that may affect its operational performance, influence its ability to meet strategic goals, and impact the Group's reputation. To manage and mitigate risks within the Group, risk evaluation and assessment are an integral part of all business activities. On the Group level, the Management constantly considers and determines whether the infrastructure, resource, and systems currently in place throughout the Group are adequate to maintain a satisfactory level of risk. Financial instruments are only used to mitigate risks and is not used for trading and/or speculation purposes.

The Group's global operations may be negatively affected by several factors, many of which are outside the Group's control. As such, the Group actively monitors evolving macroeconomic conditions for risk, that may potentially impacts to the Group's operations, as well as changes to the regulatory environment of the jurisdictions in which the Group operates.

In 2025, the United States government imposed tariffs on goods imported into the U.S. from various countries. The Group is currently monitoring these tariffs, however, given the uncertainty around the extent and duration it has not been able to fully determine the potential impacts to operations.

The Risk appetite column below represents the level of risk that management of the Group is willing to accept while pursuing its objectives before any action is determined to be necessary in order to reduce the risk.

These risks include:

Risk area	Risk	Risk description	Risk appetite	Measures to mitigate risk
Strategic	Highly competitive industry	Failure of the Group to compete effectively and be awarded contracts through the successful management of its product and services strategy, development of improved and new technological solutions, maintenance of customer relationships and other factors could adversely affect the Group's competitiveness and profitability.	High	<p>Explore and develop other market and products.</p> <p>Access to sufficient funds to take new investment opportunities.</p> <p>Taken various initiatives in relation to digitization and standardization.</p> <p>Delivering premium products to maintain the Group reputation of quality and low failure rates</p>
	Third-party	The Group is dependent		The Group has strategic



	suppliers	on third-party equipment, materials and components, and timely delivery of important materials and components is essential to the business of the Group.	Medium	partnerships to ensure an efficient and effective global supply chain. Maintains a stock of critical components, if necessary
Operational	Retain, attract, and hire highly skilled personnel	The Group's success depends, in part, on its ability to retain, attract and hire highly skilled personnel. If the Group is unable to retain, attract or hire highly skilled personnel, its ability to compete may be diminished.	Medium	Maintain good reputation and ESG philosophy to attract and retain employees. Retention programs for key personnel (e.g., share based compensation) The Group offers competitive compensation packages. Engages in cooperation programs with universities.
	Operations in developing countries	The Group's operations in such developing or newly industrialized countries expose the Group to additional risks created by political unrest and related factors.	High	The Group conducts risk assessments before any new country entry and actively engages with its clients to monitor and mitigate the respective country-related regulatory, commercial, and technical risk
	Health and safety risk	Failure to maintain adequate safety standards could have a material adverse effect on the reputation, business, operations, and the financial condition of the Group.	Low	The Group aims to reduce major accident hazard exposure through application of a safety framework to manage risk
	Information technology, cyber threat, data protection	Unauthorized access to our IT network and insider threats, where staff are exploiting confidential information, are seen as a significant risk.	Medium	Monthly security patches, active monitoring against suspicious activities. Mandatory training of personnel to increase awareness of cyber threat
	Oil and Gas Demand and Price variations.	The Group is particularly sensitive to fluctuations in prices for oil and gas in response to changes in the supply of and demand for	Medium	The Group performs close monitoring of oil price fluctuations and perform analysis of the impact of oil price variations to the market



Financial and reporting		oil and gas, market uncertainty, and a variety of other political and economic factors.		and economic factors.
	Currency risk	Fluctuations in exchange rates may have a material adverse impact on the results of operations and financial condition of the Group.	Medium	The Group perform hedge of cashflow related to projects where currency risk exposure is assessed high, using forward contracts. Pursuant to the policy, variation orders must be hedged as soon as received and recognized in the project.
	Interest rate risk	Interest rate fluctuations could have a material adverse impact on the operations and the financial condition of the Group.	Low	The Group's policy is currently not to hedge floating interest rate; however, the interest rate exposure will be monitored, and the intention is to adjust the policy if required.
	Credit risk	Credit risk is the risk of financial losses to the Group if customer or counterparty to financial investments/instruments fails to meet contractual obligations and arise principally from investment securities and receivables.	Low	Assessment of credit risk related to customers and subcontractors is an important requirement in the bid phase and throughout the contract period. Such assessments are based on credit ratings, income statement and balance sheet reviews and using credit assessment tools available (e.g., Dun & Bradstreet and Credit Watch) Derivatives are only traded against approved banks. All approved banks have investment grade ratings.
	Liquidity risk	Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities.		The Group's Treasury maintains flexibility in funding by maintaining availability under committed credit lines.



			Low	<p>The Group policy for the purpose of optimizing availability and flexibility of cash within the group is to operate a centrally managed cash pooling arrangement.</p> <p>Management monitors rolling weekly and monthly forecasts of the group's liquidity reserve on the basis of expected cash flow</p>
Compliance	Changes in environmental and regulatory requirements	Changes in environmental and regulatory requirements could adversely affect the level of exploration by oil and gas companies and, therefore, demand for the Group's services and products.	Medium	<p>The Group takes great care to carry out its activities in compliance with laws and regulations.</p> <p>The close monitoring of laws and regulations is carried out continuously and substantive changes are escalated quickly.</p> <p>By means of the Group's Code of Conduct, all employees are aware of and must always act in compliance with all laws, regulations, policies, and procedures</p>
	Claims and litigation	Any claims against the Group could harm the Group's reputation and could result in professional liability, product liability, criminal liability, warranty obligations and other liabilities that, to the extent the Group is not adequately insured, or cannot insure, against a loss or the insurer fails to	Low	<p>The Group ensures that is adequately insured against any claims.</p> <p>The Group aims to reduce major accident hazard exposure through application of a safety framework to manage risk</p>



		provide coverage, could have a material adverse effect on the business.		
	Insurance coverage	An uninsured loss, a loss that exceeds the limits of the insurance policies of the Group or a succession of such losses could have a material adverse effect on the business, results of operations and financial condition of the Group.	Low	<p>The Group ensures that it is adequately insured against any claims.</p> <p>The Group aims to reduce major accident hazard exposure through application of a safety framework to manage risk</p>
	Tax	Changes in direct or indirect tax laws, tax practices or compliance requirements, the practical interpretation and administration thereof, including in respect to market practices, or otherwise, in any jurisdiction in which the Group operates could have a material adverse effect on the business.	Low	<p>Make use of external tax advisors for complicated subjects</p> <p>Close monitoring of changes in tax law and substantive changes are escalated.</p> <p>Develop good relations with tax authorities based on mutual respect, transparency and trust</p>

The Group operates in a highly competitive industry

The oil service industry is highly competitive and subject to swings in pricing power. A failure of the Group to compete effectively and be awarded contracts through the successful management of its product and services strategy, development of improved and new technological solutions, maintenance of customer relationships and other factors could adversely affect the Group's competitiveness and profitability and, therefore, could have a material adverse effect on the business, results of operations and financial condition of the Group. Operational risks are, among other things, related to the extent to which the companies can adjust their activity to changing market conditions as well as their ability to be awarded contracts and execute on complex projects and operations within acceptable time and cost boundaries. The Group's market positions and revenues could be affected if the Group is unable to compete efficiently. In the Groups main market segment, which is to support existing drilling rigs, we see a highly competitive situation. Due to the overcapacity of available drilling rigs in the industry our primary customers, the rig owners, have limited pricing power. This in turn leads to a situation where the rig owners are focused on their operational costs. For the Group this results in reduced maintenance and upgrade contracts on which to bid, and therefore the Group must be price competitive to secure work.



Dependence on services from third parties and supply of materials to complete contracts

The Group is dependent on third-party equipment, materials and components, and the timely delivery of important materials and components are essential to the business of the Group. Constraints in the supply chain may result in products or services of the Group being disrupted or delayed, which could have a material adverse effect on the business, operations, and the financial condition of the Group.

If a sub-contractor, supplier, or manufacturer fails to provide services, supplies or equipment for any reason, the Group may be required to procure these services from other third parties on a delayed basis or at a higher price than anticipated, which could adversely affect profitability.

During periods of wide-spread economic slowdown, third parties may find it difficult to obtain sufficient financing to fund their operations. The inability to obtain financing could adversely affect a third party's ability to provide materials, equipment, or services, which could have a material adverse effect on the business, operations, and the financial condition of the Group.

Talent acquisition, employ, development and engagement

The Group's business is dependent on the technical competence of its employees and proprietary technological solutions developed by the Group. The demand for improved technology is constantly increasing and if the Group is unable to deliver commercially competitive services, or, fails to attract employees with the requisite level of technological competence, this could have a material adverse effect on the Group's business, prospects, financial position, and operating results.

The Group has a comprehensive talent acquisition strategy in place to attract and hire the best candidates for our organization. The Group focus on identifying individuals who align with our values, possess the necessary skills and expertise and demonstrate a commitment to continuous learning and growth. Once onboarded, the Group provides employees with various opportunities for professional development and advancement. The Group offers training programs, mentorship initiatives and career development resources to support their growth within the Group. The Groups primary customer base, the drilling rig owners, gain their limited pricing power from efficiency, safety, and environmental footprint KPI's (Key Performance Indicator). Technology is an important element to improve and maintain a customer's efficiency, safety, and environmental footprint KPI's. The Group is dependent on having the technology, solutions, and people to support our customers in reaching their KPI's. The ability to do so affects the Groups pricing power and its ability to secure contracts.

Operations in developing countries

The Group faces heightened risks in its operations in developing or newly industrialized countries (e.g., Senegal, Brazil, Azerbaijan). Operating in such environments, with less predictable political, socioeconomic, and legal systems, poses uncertainties that could adversely impact business, operations, and financial conditions, affecting the value of investments. The Group has, and the Group will continue to have, a



strategy to continue and expand operations in many developing or newly industrialized countries.

Further, certain countries in which the Group operates, or intends to operate, impose local requirements, such as but not limited to, unpredictable tax regimes, customs regulations, environmental demands, requirements related to local physical presence and resources, which could make it difficult for the Group to compete in such countries and increase the risk that the Group's business standards and policies as well as the Group's quality standards are not fully compliant with local laws and regulations, and which in turn could have a material adverse effect on the business, operations and the financial condition of the Group.

Moreover, certain developing or newly industrialized countries have a higher incidence of anti-corruption and bribery violations present additional challenges. The Group actively addresses these risks through regular fraud risk assessments, implementing robust Codes of Conduct, a Compliance and Ombuds program, whistleblowing procedures, open reporting, and customer and third-party due diligence (KYC) screening protocols. No corruption, bribery, or fraud incidents were reported in 2024.

Health and safety risk

The Group is exposed to certain health and safety risk, including compliance with a broad range of health and safety laws and regulations. Construction and maintenance sites are inherently dangerous workplaces, and failure by the Group to maintain safe work sites could have a material adverse effect on its business, reputation, operations and the financial condition of the Group. The Group is subject to a broad range of health and safety laws and regulations in each of the jurisdictions in which it operates, and such laws and regulations impose increasingly stringent health and safety protection standards. The costs of complying with, and the liabilities imposed pursuant to, health and safety laws and regulations could be significant, and failure to comply could result in the assessment of civil and criminal penalties, suspension of permits, temporary or permanent closure of production facilities, or claims or lawsuits by injured employees, sub-contractors or third parties. Failure to maintain adequate safety standards could have a material adverse effect on the reputation, business, operations and the financial condition of the Group.

Information technology, cyber threat, data protection

Unauthorized access to the IT network could pose a significant risk to the Group's information security, potentially revealing sensitive data to unauthorized individuals, competitors, or even nation-state actors. This vulnerability could stem from social engineering tactics or unauthorized entry to engineering and testing areas, both remotely and locally. The potential loss of intellectual property and classified information could undermine the confidentiality, integrity, and availability of company data, making the Group vulnerable to threats from nation-states, cybercriminals, and cyber activists. To combat this, the Group has implemented measures to address cybercrime, hacking threats and social engineering, such as mandatory training and implementing a robust cyber-security program. The Group is in the process of developing new security policies and reviewing a more targeted security awareness tool.



Oil and gas demand and price variations

As a global provider of drilling solutions, engineering, projects, technology, equipment and services for the oil and gas industry, the Group is particularly sensitive to factors such as oil and gas prices, the demand for oil and gas, the level of exploration, development, production, investment, modification, and maintenance activity as well as the corresponding expenditure by oil and gas companies.

Prices for oil and gas have historically been and are expected to remain, subject to fluctuations in response to changes in the supply and demand for oil and gas, market uncertainty and a variety of other political and economic factors. Prolonged reductions in oil and gas prices typically result in decreased levels of exploration, development, production, investment, modification and maintenance activity by oil and gas companies. Any such decrease by oil and gas companies could lead to downward pricing pressure on oil and gas service companies, such as the Group, and, therefore, could adversely affect the Group's activity and profit.

Currency risk

The Group operates globally and is exposed to currency risk on commercial transactions, assets and liabilities and investments in foreign operations. Commercial transactions, assets and liabilities are subject to currency risk when payments are denominated in a currency other than the respective functional currency of the relevant member of the Group. The Group's foreign exchange risk mainly arises from Norway and Germany and revenue denominated in EUR and NOK. The largest investments are also mainly made in EUR, NOK, and USD. The Group's policy is to hedge currency risk exposure in relevant projects using forward contracts. However, there can be no assurance that any hedging policy or strategies adopted by the Group will be sufficiently effective or that the Group will be completely shielded from this risk.

Interest rate risk

The Group faces risks associated with its interest-bearing debt. External borrowings, which at the date of this financial statement amounted to USD 215 million (compared to USD 223 million at year end 2023), excluding fixed rate shareholder loans and accrued interest. The Group also incurs additional interest of 1% per annum, in addition to the fixed rate of 9.875% per annum, until the USD 200 million senior secured callable bond is listed on the Oslo Stock Exchange. The Group's policy is currently not to hedge floating interest rate; however, the interest rate exposure will continue to be closely monitored. There can be no assurance that the Group will be able to hedge its exposure to fluctuations in interest rates or that any future hedging policy will significantly mitigate the adverse effects of interest rate fluctuations on the Group's results of operations and financial condition, and such exposure could have a material adverse effect on the Group's financial condition.

Credit risk

Credit risk is the risk of financial losses to the Group if customer or counterparty to financial



investments/instruments fails to meet contractual obligations and arise principally from investment securities and receivables.

Delayed payment of significant amounts payable from customers could have a material adverse effect on the liquidity of the Group. Especially in weak economic environments, the Group could experience increased payment delays and failures by customers due to, among other reasons, customers' reduced cash flow from operations or access to the credit markets. If one or more customers fails to pay significant amounts of outstanding receivables in a timely manner or at all, for any reason, this could have a material adverse effect on the Group's liquidity position as the cash or cash equivalents available to the Group may be reduced and the Group may be required to increasingly rely on its credit facilities for liquidity. This could have a material adverse effect on the business, operations and the financial condition of the Group. Assessment of credit risk related to customers and subcontractors is an important requirement in the bid phase and throughout the contract period. Such assessments are based on credit ratings, income statement and balance sheet reviews and using credit assessment tools available (e.g., Dun & Bradstreet and Credit Watch). Sales to customers are settled in cash. Normal credit terms are 30-90 days.

Revenues are mainly related to large and long-term projects closely followed up in terms of payments up front and in accordance with agreed milestones. Normally, lack of payments is due to disagreements related to project deliveries and is solved together with the customer or escalated to local leadership. Based on expected credit loss in respect of trade receivables and contract assets, the Group establishes a provision for impairment losses. Provisions for loss on debtors are based on individual assessments.

The Group evaluates that significant credit risk concentrations are related to trade receivables from major corporate customers in the oil and gas industry. The maximum exposure to credit risk at the reporting date equals the carrying amounts of financial assets. The Group does not hold collateral as security.

Derivatives are only traded against approved banks. All approved banks have acceptable investment grade ratings. Credit risk related to investment securities and derivatives are therefore considered to be insignificant.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities. The Group manages its liquidity to ensure that it will have sufficient liquidity reserves to meet its liabilities when due.

Prudent liquidity risk management includes maintaining sufficient cash, the availability of funding from an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, the Group's Treasury maintains flexibility in funding by



maintaining availability under committed credit lines.⁵

Our access to funding sources and other credit arrangements in amounts adequate to finance our current and projected future business operations could be significantly impaired by factors that affect us, any financial institutions with which we enter into credit agreements or arrangements directly, or the financial services industry or economy in general. These factors could include, among others, events such as liquidity constraints or failures affecting financial institutions, the ability of financial institutions to perform obligations under various types of financial, credit or liquidity agreements or arrangements or disruptions or instability in the financial services industry or financial markets.

The Group policy for the purpose of optimizing availability and flexibility of cash within the Group is to operate a centrally managed cash pooling arrangement. An important condition for the participants (business units) in such cash pooling arrangements is that the Group as an owner of such pools is financially viable and can prove its capability to service its obligations concerning repayment of any net deposits made by business units. Management monitors rolling weekly and monthly forecasts of the Group's liquidity reserve on the basis of expected cash flow. Lastly, the Group has a liquidity reserve per year-end 2024, composed of a committed credit facility of USD 50 million and cash and cash equivalents.

Changes in environmental and regulatory requirements

Changes in environmental and regulatory requirements could adversely affect the level of exploration by oil and gas companies and, therefore, impact demand for the Group's services and products. Because the business of the Group depends on the level of activity in the oil and gas industry, existing or future laws, regulations, treaties or international agreements related to greenhouse gases and climate change, including incentives to conserve energy or use alternative energy sources, this could have a material adverse effect on the business, operations and the financial condition of the Group if such laws, regulations, treaties or international agreements negatively affect global demand for oil and gas.

The Group recognizes the importance of adhering to international regulations and restrictions governing trade, export controls, and economic sanctions, and is dedicated to preventing any involvement in activities that may violate sanctions and trade laws. The Group's compliance program is designed to ensure that all our business activities, including international trade and transactions, are conducted in full compliance with applicable laws and regulations. The Group maintains a robust compliance framework that includes regular risk assessments, employee training, due diligence procedures, and ongoing monitoring of sanctions and trade restrictions. The Group's commitment to compliance extends to our relationships with suppliers, customers, and business partners, and we expect the same level of commitment from them.

The main climate-related risks in the Group concern the Group's current industrial investments since the industry is in a state of accelerated transition to a lower-carbon intensive industry. Unless these risks are met

⁵ Note 4.3 in the consolidated financial statements for further details



with mitigating measures, the Group could face a scenario where it could lose its market position and/or with the Group's product lines are ultimately obsolete and replaced by more energy efficient/green alternatives. However, this transition to low carbon intensive industry will also create several opportunities, with focus on more efficient drilling equipment which will generate a more climate friendly operation.

Claims and litigation could have a material adverse effect on the business

Given the nature of the products and services that the Group provides, the business in which the Group operates, and where an accident can potentially have significant consequences (for example in connection with deepwater operations), the Group is exposed to the risk of claims, legal proceedings and disputes from authorities, customers and other third parties, including claims in relation to personal injury, environmental issues, intellectual property rights, tax matters, fines and penalties, labor or employment matters, privacy and personal data, data security issues, competition, anti-trust issues, anti-money laundering and sanctions. Any claims against the Group could harm the Group's reputation and could result in professional liability, product liability, criminal liability, warranty obligations and other liabilities that, if the Group was not adequately insured, or cannot insure, against a loss or the insurer fails to provide coverage, could have a material adverse effect on the business, operations and the financial condition of the Group.

Insurance coverage

Given the nature of the products and services that the Group provides, the business in which the Group operates, and where an accident can potentially have significant consequences (for example in connection with deepwater operations) the Group is exposed to a number of risks, including but not limited to, industrial accidents, the controlled use of potentially harmful and hazardous materials during production, the provision of services and the installation of products. The Group maintains a portfolio of insurance policies to protect its core businesses against loss of property, business interruption, injury to personnel and/or liability to third parties for such losses as per industry standards. Risks insured generally include loss or damage to physical assets (buildings, plant, equipment, and work in progress) and business interruption resulting therefrom, bodily injury to and death of employees, and third-party liabilities. Certain types of losses are generally not insured by the Group because they are either uninsurable or not economically insurable, such as losses caused as a result of inability to deliver on time or at the right quality, or losses occasioned by willful misconduct, criminal acts, fines and penalties, and various perils associated with war and terrorism. The insurance policies of the Group may not be sufficient to adequately ensure the Group from a claim that exceeds its policy limits or under every circumstance or against every hazard to which it could be subject. An uninsured loss, a loss that exceeds the limits of the insurance policies of the Group or a succession of such losses could have a material adverse effect on the business, operations and the financial condition of the Group.



Tax

The operations of the Group are carried out in countries across the world, and, therefore, the Group's tax filings are subject to the jurisdiction of a significant number of tax authorities and tax regimes as well as to cross-border tax treaties between governments. Further, the nature of the operations of the Group means that the Group routinely must deal with complex tax issues (such as transfer pricing, permanent establishment, or similar issues) as well as competing and developing tax systems where tax treaties may not exist or where the legislative framework is unclear and/or subject to change or interpretation without pre-warning or transitional regulations. Moreover, where project work is partly undertaken in the jurisdiction in which the project deliverables are delivered to the customer and partly in other jurisdictions (which is the case for many of the projects of the Group), there may be uncertainties, and risks, as to whether and to what extent income from that project is taxable in the jurisdiction in which the project deliverables are delivered to the customer, which could subject the Group to the risk of double taxation, unexpected tax liabilities and/or penalties. In addition, the global operations of the Group are taxed on bases that vary from country to country, including net profit, deemed net profit (generally based on turnover) and revenue based withholding taxes based on turnover.

Changes in direct or indirect tax laws, tax practices or compliance requirements, the practical interpretation and administration thereof, including in respect to market practices, or otherwise, in any jurisdiction in which the Group operates could have a material adverse effect on the business, operations and the financial condition of the Group. The Organization for Economic Co-operation and Development has advanced reforms focused on global profit allocation and implementing a global minimum tax rate of at least 15% for large multinational corporations on a jurisdiction-by-jurisdiction basis, known as "Pillar Two."⁶

Financial information

The Group's consolidated financial statements has been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and with Section 2:362(9) of the Dutch Civil Code. The consolidated financial statements were authorized for issue by the Board of Directors on April 28, 2025. The Group's accounting policies are shown in the Annual Financial Statements 2024, Section 1.1.

Overall management analyzed the performance of the Group for 2024 and noted that operations are in accordance with its expectations and budget. Please refer to below where management explained the developments for the borrowings and operational performance.

⁶ Note 5.1 in the consolidated financial statements for further details



The results below reflect performance for the twelve-month ended December 31, 2024.

<i>Amounts in USD million</i>	01.01.2024-31.12.2024	01.01.2023-31.12.2023
<i>Revenue and other income</i>	843.3	785.6
<i>EBITDA⁷</i>	162.1	122.2
<i>Net profit (loss)</i>	45.5	10.7
<i>Operational cash flow</i>	45.2	33.2
<i>Total assets</i>	1,384.0	1,373.3
<i>Total equity</i>	631.8	595.9

Financial performance

The Group reported financial performance in 2024 in accordance with expectations. The Group revenue was mainly dominated by service activities and both segments reported strong EBITDA and operational cash flow as the market continues to recover and our customers continue to re-activate their rigs. Total assets and equity also increased compared to 2023. The increase in equity is mainly driven by a strong result for the year. The Group is a business with activity for which revenue recognition for some part is presented over time and hence both contract assets/liability and account receivable/payable have fluctuated in the reporting period due to progress in projects, billing milestones and customer payments.

EBITDA in 2024 was USD 162 million up 33% on a year-to-year, driven by increased aftermarket services activity output and increased volume in sales of products. Net cash flow from operating activities was positive USD 39 million compared to USD 31 million in 2023. The positive development is driven by milestone collections and past due reduction. The aftermarket segment of the Group exhibits very steady working capital performance.

The Group has total borrowings of USD 343 million as of December 31, 2024. Part of the consideration paid to Akastor and Baker Hughes, in relation to the creation of the joint venture, was the shareholder loans received from Akastor and Baker Hughes. The total amount of the shareholder loans as of December 31 2024 is USD 132 million and will not be settled prior to external debt. Earliest maturity date is set to October 1, 2026. USD 20 million of the principal relates to Akastor and remaining USD 80 million is a loan from Baker Hughes to the Group.

In November 2023, the Company replaced its existing USD 150 million senior secured callable bond (ISIN:

⁷ This is a non-GAAP measure and is further explained in the "Non-GAAP financial measures" section



NO0012428996) with a new USD 200 million senior secured callable bond. The net proceeds from the bond issue were used to refinance the existing bond loan, pay down the remaining term loan and existing revolving credit facility. The Bond pays a fixed coupon of 10.875% (which was increased from 9.875% per annum beginning on August 17, 2024 until the USD 200 million senior secured callable bond is listed on the Oslo Stock Exchange), and the maturity date is November 16, 2026. The new bond is expected to be listed on the Oslo Stock exchange in during the first half of 2025, and when the new bond is listed HMH will again become an EU PIE company.⁸

Recent developments

Sale of non-controlling interest in Hydril Arabia

On March 28, 2024, Hydril PCB Limited, a subsidiary of the Group, issued shares representing a 30% non-controlling interest in its subsidiary, Hydril Pressure Controlling Arabia Limited (“Hydril Arabia”), to Tanajib Holding Company CJSC (“Tanajib”), in exchange for total consideration of USD 9.2 million, comprising USD 2.3 millions of upfront consideration and USD 6.9 millions of deferred consideration. The Company recognized cash of USD 2.3 million, related party accounts receivable—current of USD 2.2 million and related party notes receivable of USD 4.7 million.⁹

Acquisition of Drillform

On July 17, 2024, Hydril PCB Canada Inc., a wholly owned subsidiary of the Group, completed its acquisition of all of the issued and outstanding shares of Drillform Technical Services Ltd. (“Drillform”) for a total purchase price of USD 24.7 million, consisting of USD 21.0 million in cash and USD 3.7 million in contingent consideration.¹⁰ Drillform holds a portfolio of patents and intellectual property related to equipment used in the handling of drill pipe during drilling operations and has a significant installed base of automated floor wrenches and catwalks. Drillform is based in Alberta, Canada and has facilities in Tulsa, Oklahoma and Abu Dhabi, United Arab Emirates. The Group accounted for the transaction as a business combination and allocated the total purchase price to assets acquired, liabilities and contingent consideration assumed based on their fair values at the date of acquisition. The purchase price allocation as of the date of acquisition was based on a preliminary valuation and is subject to revision as more detailed analyses are completed and additional information about the fair value of assets acquired and liabilities assumed becomes available.

⁸ Note 4.7 in the consolidated financial statements for further details

⁹ Note 4.6 in the consolidated financial statements for further details

¹⁰ Note 6.1 in the consolidated financial statements for further details



Non-financial Statement

Considering the current business model of the Group, management does not have specific non-financial information policy as all relevant understanding over the Group, development of the business, the results, the position of the entity and the effects of its activities on the society are covered via separate policies. Management refers to the relevant section of this report. The Group's management has in place the anti-bribery policy, policies in respect of environment, social and personnel affairs (referring to section Environmental and personnel-related information in the Management Report), respect for human rights and know your customer policies. The main risks with respect to those matters discussed under the Significant risks and uncertainties section of this report. No non-financial KPIs that are relevant for the business activities of the Group was set.

Non-GAAP financial measures

The financial information in this report includes measures which are not defined by generally accepted accounting principles (GAAP) such as IFRS. The Group believes this information, along with comparable GAAP measurements, may give insight to stakeholders because it provides a basis for evaluating our operational performance. Non-GAAP financial measures should not be considered in isolation from, or as a substitute for, financial information presented in compliance with GAAP. Wherever appropriate and practical, the Group provides reconciliations to relevant GAAP measures.

Term	Definition
EBITDA	Is equal to operating earnings plus depreciation, amortization.

Environmental, Social and Governance

Metrics and Targets

The Group, in alignment with its shareholders, has established policies, guidelines, strategies, and requirements to address Environmental, Social, and Governance (ESG) considerations. The Group continues to actively monitor ongoing developments of regulations and disclosure requirements related to ESG, CSRD and EU-Taxonomy matters in order to be prepared for future reporting requirements.

Environment

The Group is dedicated to reducing its environmental impact. Recognizing the Group's role in the oil and gas



extraction industry, a major contributor to environmental footprints, we remain focused on designing products and services that minimize undesirable environmental effects. Our operations prioritize the safe and efficient utilization of energy and natural resources, with a commitment to using materials and energy efficiently while minimizing waste and environmental damage. The Group is committed to operating with transparency, integrity, and accountability, and has also been ISO 14001:2015 certified.

Social

Human Rights

The Group respects internationally proclaimed human and labor rights and supports international human rights conventions such as the UN Declaration and Convention on Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises. The Group acknowledges all employees' right to form and join trade unions of their own choice and aim to include and involve employees and their unions in decision-making in accordance with applicable laws. The Group does not tolerate harassment in any form by or towards employees and strictly forbids retaliation against an HMH employee who raises a claim or concern. The Group employees shall expect a workplace free from harassment and discrimination on the basis of age, gender, sexual orientation, disability, race, nationality, political opinions, religion or ethnic background, or any other basis or protected class prohibited by law. The Group will not employ, use, or enter into contract with those who employ or use child or forced labor and will not tolerate working conditions or treatment that is in conflict with international laws and practices.

Diversity

The Group promotes diversity, and provides inclusion to all (potential) employees, irrespective of their gender, ethnic origin, physical and mental ability, age, nationality, sexual orientation, religion or belief, marital status, thinking style or socio-economic status. The Group opposes all forms of unfair discrimination.

The Group's guidelines aim to go beyond statutory equal opportunities policy and embrace diversity and inclusion as part of the Group's strategy to source, retain and manage unique talent, skills, knowledge, and experience. These guidelines will govern everyday working life and cover such matters as: recruitment and selection; access to leadership opportunities; access to learning and development opportunities; succession planning; and talent management.



At HMM, the Group place a strong emphasis on diversity and inclusivity within our workforce. The Group is proud of the multicultural environment the Group foster, with many nationalities collaborating across the company. In the Group's Kristiansand office alone, the Group is fortunate to have employees from 27 different nationalities. This rich diversity is a testament to our commitment to a global perspective and inclusive company culture, which we are very proud of.



Corporate governance

Corporate Governance Statement

The Group has high standards of corporate governance, ensuring responsible and transparent leadership and management that are geared to ensure full compliance and set the basis for a sustainable long-term performance and growth.

In 2022, the Group was classified as a Public Interest Entity (EU PIE) due to the listing of a bond. The listed bond was fully repaid in November 2023. As of the year-end 2024, the Group does not hold any listed securities. There are no other factors that would classify the Group as a public interest entity, and therefore, the Group is not considered to be an EU PIE company as per 31 December 2024 and the date of the financial statements.

Based on article 2 of the EC directive 2006/43/EC Implementation Decree of 26 July 2008 (the "Decree")



concerning audit of annual accounts, the Group must comply with part of the Decree Management Report.

The Group complies with Decree Management report requirements applicable for an entity with listed financial instrument (Section 2a (1) Corporate Governance Statement, Section 2a (3) having the Corporate Governance Statement as part of the Management Report, Section 3a(a) the main features of the management and control systems of the Group, Section 3a(d) Diversity of Board of Directors and section 3d number of men and women in the Board of Directors). The Directors have confirmed that the Group is in compliance with all mentioned articles and no issues have been noted during the reporting period.

The regulations of the Norwegian stock exchange (Oslo Rule Book II) require that an issuer must make public annual reports in accordance with Section 5 of the Securities Trading Act ("STA") and related regulations. As per the Norwegian STA, issuers with their home state in the European Economic Area must comply with their home state's legislation related to periodic disclosure requirements. The Group is required to comply with these regulations as of the listing of its Bond in during the first half of 2025.

Values and Code of Conduct

The Group contributes to sustainable social development through responsible business practices. The ethical guidelines and other governing documents of the Group has been drafted following core corporate values as stated below:

Integrity First

- We do what we say and say what we do
- We are transparent
- We do things the right way – ethically and in compliance with laws and regulations
- We keep our commitments, building trust with customers, shareholders, the community and each other
- We take responsibility for our actions, regardless of the outcome

Innovate Our Future

- We use our competence, capability and technology to design our future
- We are curious, innovative and commercial
- We continuously improve



Be Accountable

- We deliver on our responsibilities
- We never pass a problem, we solve it!
- We act in a trustworthy, ethical and socially responsible manner

Bring Good Days

- We have fun and enjoy our work
- We respect each other and we work together as one team
- We share knowledge and help each other succeed
- We are all equally accountable for caring for the environment, safety and well-being of ourselves and others



The Group has established an HMH Code of Conduct that applies to all employees in the Group and requires that business partners adhere to the same principles as the Group. The Code of Conduct is published and made available to all employees, and employees must be familiar with and in compliance with the content of the Code of Conduct.

The Group operates in an international environment involving a diversity of countries and cultures and international transaction and contracts. The Code of Conduct contains a “zero tolerance” policy for bribery and corruption, and guides employees regarding any potential conflicts of interest.

Group Governance Structure

The Company has per year end 2024 a Board of Directors comprising of the Chairman of the Board Daniel W. Rabun, Vice Chairman Karl Erik Kjelstad, and Board Members Judson E. Bailey, Kristian M. Røkke and Georgia M. Magno.

As of December 31, 2024, the executive management of the Group comprised of Eirik Bergsvik (CEO), Thomas McGee (CFO), Dwight Rettig (CAO/GC), Roy A. Dyrseth (CCO), Chuck Chauviere (COO) and Pål Skogerbø (CTO).

The Company has no Supervisory Board. In line with compliance of Article 2 of the EC directive 2006/43/EC Implementation Decree of 26 July 2008 (the Decree) concerning audit of annual accounts, the Audit Committee was established in November 2022. The Audit Committee was established by the Company's articles of association as a separate and designated corporate body within the meaning of Article 2 paragraph 4 of the Decree, assigned to perform all duties of an audit committee in accordance with Article 2 paragraph 2 of the Decree. The Audit Committee comprises of one member (Asbjørn Rødal), who qualifies as independent from the Company, is an expert in the field of financial reporting and auditing and has expertise and experience relevant to the Company's business sector. The Board of Directors constituted as the Audit Committee until the Audit Committee was established.

General Meeting of Shareholders

A General Meeting of Shareholders is held not less than once a year to discuss the Annual report, including the report of the Board of Directors, the annual financial statements with explanatory notes, any proposal concerning dividends or other distributions.

The Board of Directors is responsible for all governance activities and is accountable for pursuing and achieving corporate goals and objectives. The Board of Directors is also responsible for the Group strategy and compliance with all regulatory and legislative requirements.



Board of Directors Composition

Daniel W. Rabun

Chairman of the Board

Mr. Rabun has served as the chairman of HMH Holding B.V.'s board of directors since October 2024. He has also served on the board of directors of Borr Drilling Limited (NYSE and OSE: BORR), an international drilling contractor, since April 2023, the board of directors (and is currently the chairman of the board) of ChampionX Corporation (Nasdaq: CHX), a provider of chemical solutions, artificial lift systems and equipment and technologies for the oil and gas industry, since 2018 and the board of directors of Golar LNG Ltd. (Nasdaq: GLNG), a maritime liquefied natural gas infrastructure company, since 2015. From 2015 to May 2024, Mr. Rabun served on the board of directors of APA Corporation (formerly known as Apache Corporation) (Nasdaq: APA). Prior to that, he was at Ensco plc (formerly NYSE: ESV), an offshore drilling services company, based in London, where he served as chairman of the board of directors from 2007 to 2015, Chief Executive Officer from 2007 to 2014 and President from 2006 to 2014. Prior to joining Ensco plc, Mr. Rabun was a partner with the international law firm of Baker McKenzie LLP, where he provided legal advice to oil and gas companies from 1986 to 2004. Mr. Rabun has a Bachelor's degree in Business Administration from the University of Houston and a Juris Doctor from Southern Methodist University's Dedman School of Law and is a Certified Public Accountant (CPA).

Karl Erik Kjelstad

Vice Chairman

Mr. Kjelstad has served as a member of HMH Holding B.V.'s board of directors since October 2021. Mr. Kjelstad has served as Chief Executive Officer of Akastor ASA since 2018 and served as Executive Vice President and Investment Director of Akastor ASA from 2014 to 2017. Prior to that, he held numerous key positions at the Aker group, including Executive Vice President of Oilfield Services and Marine Assets of Aker Solutions from 2009 to 2014, Senior Partner and President of Maritime of Aker ASA from 2007 to 2009 and President and Chief Executive Officer of Aker Yards ASA from 1998 to 2007. He has also held several board positions in different industries, including the oil service, offshore drilling, offshore and merchant shipping, shipbuilding, IT services, real estate and construction industries. Mr. Kjelstad has a Master of Sciences in Marine Engineering from the Norwegian University of Science and Technology (NTNU) and an Advanced Management Program executive degree from Harvard Business School.

Judson E. Bailey

Board Member

Mr. Bailey has served as a member of HMH Holding B.V.'s board of directors since July 2023. Mr. Bailey has served as Vice President of Corporate Development of Baker Hughes (Nasdaq: BKR) since August 2023, where he leads M&A and strategic early-stage investment efforts, and served as Vice President of Investor



Relations of Baker Hughes from August 2019 to August 2023. Prior to joining Baker Hughes, Mr. Bailey gained extensive experience as a sell-side research analyst, covering the oilfield services and equipment industry for nearly 20 years at various firms, including serving as Managing Director at Wells Fargo Securities, LLC from 2014 to August 2019, Senior Managing Director at ISI Group, LLC from 2012 to 2014 and Managing Director at Jefferies & Company, Inc. from 2000 to 2012. His expertise and contributions have been recognized by numerous industry organizations, including multiple rankings as an equity analyst in the Institutional Investor survey for the Oilfield Services & Equipment sector and ranking #1 in 2022 and 2023 in the Institutional Investor survey for Investor Relations. Mr. Bailey has a Bachelor's degree from Texas A&M University and is a Chartered Financial Analyst (CFA).

Kristian M. Røkke

Board Member

Mr. Røkke has served as a member of HMH Holding B.V.'s board of directors since October 2021. Mr. Røkke has experience from investment management, offshore services and shipbuilding in several companies in the Aker group. He served as Chief Executive Officer of Aker Horizons ASA (OSE: AKH), a company that develops green energy and green industry to accelerate the transition to net zero from July 2020 until October 2024. Prior to that, Mr. Røkke served as Chief Investment Officer of Aker ASA from 2018 to 2020. He served as Chief Executive Officer of Akastor ASA from 2015 to 2017 and held various operational and executive roles at Philly Shipyard ASA (OSE: PHLY), a constructor of commercial naval vessels, from 2007 to 2016. He is currently chair of the board of several companies, including Aker Horizons ASA, Mainstream Renewable Power, Aker Carbon Capture ASA and Philly Shipyard ASA, and is a director on the board of directors of TRG Holding AS. Mr. Røkke has an undergraduate degree from BI Norwegian Business School and a Master of Business Administration from Wharton Business School at the University of Pennsylvania.

Georgia M. Magno

Board Member

Ms. Magno has served as a member of HMH Holding B.V.'s board of directors since March 2025. Ms. Magno has served as Chief Legal Officer of Baker Hughes since January 2024, where she is responsible for Baker Hughes' legal and regulatory affairs, corporate governance and compliance function and for driving regulatory compliance, risk management and strategic direction of corporate governance across Baker Hughes, as well as liaising with its board of directors. She has more than 20 years of management and legal experience and, since joining Baker Hughes in 2017, she has served in legal roles of increasing complexity and responsibility across commercial, operational and product line organizations in multiple countries, including Italy and the United States. Her roles at Baker Hughes include Vice President and General Counsel of Baker Hughes' Industrial & Energy Technology business segment from October 2022 to December 2023, head of legal and compliance of Baker Hughes' Turbomachinery & Process Solutions, Climate Technology



Solutions and New Frontiers business segments from January 2022 to October 2022, and General Counsel and Vice President of the Turbomachinery & Process Solutions business segment from January 2017 to January 2022. Prior to the merger between Baker Hughes and General Electric Company's oil and gas business ("GE Oil & Gas"), Ms. Magno served in various roles for GE Oil & Gas between April 2010 and December 2016, including Associate General Counsel of Commercial, Associate General Counsel of Global Supply Chain and Senior Counsel of Sourcing. Prior to joining GE Oil & Gas, she worked as an international litigator at Weil, Gotshal & Manges LLP from September 2006 to March 2010 and Cleary Gottlieb Steen & Hamilton LLP from September 2004 to July 2006. Ms. Magno serves as a trustee of the Baker Hughes Foundation. Ms. Magno has a Juris Doctor from Università di Bologna and a Masters of Law degree from Harvard Law School. She is a member of the New York Bar and has been a visiting researcher at the Wharton School at the University of Pennsylvania.

Management remuneration

Board of Directors

Other than Mr. Rabun, the Board of Directors received no remuneration for being directors in 2024. In connection with his appointment as a member and Chairman of HMH Holding B.V.'s Board of Directors as of October 21, 2024, Mr. Rabun will receive from HMH Holding B.V. a cash retainer in the annualized amount of USD 75,000 for his service as a member of HMH Holding B.V.'s Board of Directors and an additional cash retainer in the annualized amount of USD 50,000 for his service as Chairman of HMH Holding B.V.'s Board of Directors (for an aggregate annualized retainer equal to USD 125,000), each of which will be paid in quarterly installments, based on calendar quarters, in arrears on a prorated basis for any partial portion of a quarter. In addition, Mr. Rabun will receive a retainer equal to USD 175,000 (the "additional retainer"), which will become payable on the earliest of Mr. Rabun's resignation from HMH Holding B.V.'s Board of Directors prior to the listing of HMH Holding Inc.'s shares of Class A common stock, the consummation of the initial public offering of HMH Holding Inc. or October 21, 2025. In each case, the additional retainer will be paid within 30 days of the triggering event and will be prorated based on the number of days that have elapsed from October 21, 2024 through the date of such event, over 365. Subject to the requisite approvals by HMH Holding Inc. and an effective equity incentive plan being in place, if the payment of Mr. Rabun's additional retainer is triggered by the consummation of the initial public offering of HMH Holding Inc., the retainer will be satisfied upon consummation of the initial public offering of HMH Holding Inc. with a restricted stock unit award that will vest immediately following grant; otherwise, Mr. Rabun's additional retainer will be paid in cash. The other members of the Board of Directors have no agreements that entitle them to any extraordinary remuneration from the Group.

Policy on remuneration to the members of the executive management

All the members of the executive management were employees of the Group with terms and conditions of employment consistent with industry standards.



Compensation to the executive management has fixed elements which include a base salary which, pursuant to the company's benchmarking, is competitive. The executive management has variable remuneration based upon the performance of the company. All variable compensation is subject to the Group performance.

The Group has phantom equity award plans for management positions. For two out of four programs, the awards will vest 100% of upon the occurrence of a liquidity event that occurs in or prior to the forfeiture date. For the last two programs, the vesting period is three calendar years. If the award vests, the award payout will be payable to the management within 30 days after the applicable vesting date.¹¹

Directors' and executive management's shareholding

Neither Directors nor the members of the executive management have shares in the Group as of December 31, 2024.

External auditor

For the 2024 financial year, KPMG Accountants N.V. was the Group's independent external auditor.

¹¹ Note 2.5 and 7.4 in the consolidated financial statements for further details



Subsequent events

The Group evaluated subsequent events through April 28, 2025, the date that the consolidated financial statements were available to be issued.

Adjusting events

No subsequent events are noted which require adjustments in the annual report.

Non-adjusting events

In January 2025, the Group announced a restructuring plan primarily focused on the reorganization of facilities in Horten and Fornebu, Norway and global workforce reductions. The restructuring will optimize the Group's global indirect headcount and rationalize its footprint.

On March 10, 2025, DNB Bank ASA agreed as agent under the Group's USD 50 million revolving credit facility (RCF) to amend certain terms of the RCF to permit implementation of the corporate reorganization and the listing of HMH Holding Inc.'s Class A common stock on Nasdaq, and the documentation formally implementing the same became effective as of March 11, 2025.

On March 6, 2025, Georgia M. Magno joined the Board of Directors as board member.

Amsterdam, April 28, 2025

The Board of Directors:

Daniel W. Rabun
(Chairman of the board)

Karl Erik Kjelstad
(Vice Chairman)

Judson E. Bailey
(Board member)

Kristian M. Røkke
(Board member)

Georgia M. Magno
(Board member)