



# ANNUAL REPORT

2025

HMH HOLDING B.V.

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# HMH Management Report 2025

For the year ended December 31, 2025

April 9, 2026



## Management report

The Directors of HMH Holding B.V. (the “Company”) hereby present their report for the financial year ended on December 31, 2025.

The Management report also covers the development of the business, the results of operation, the financial position and the effects of the activities of HMH Holding B.V. and its subsidiaries (the “Group”). 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, through the combination of Baker Hughes's Subsea Drilling Systems pressure control business and Akastor's MHWirth drilling equipment business 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. Below is a short description of the shareholders of HMH Holding B.V.:

#### About Baker Hughes

Baker Hughes (NASDAQ GS: BKR) is an energy technology company that provides solutions for energy and industrial customers worldwide. More information at [bakerhughes.com](https://www.bakerhughes.com).

#### About Akastor

Akastor is a Norway-based oil-services investment company with a portfolio of industrial holdings and other investments. The company has a flexible mandate for active ownership and long-term value creation. More information at [akastor.com](https://www.akastor.com).

The Company is seated in Amsterdam, Netherlands, 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 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's 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 technologies and products that can be utilized 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 operations across Europe, North America, Central and South America, the Middle East, Asia, Africa and Australia.<sup>1</sup> As of December 31, 2025, the Group had 2,019 employees globally, including 1,074 manufacturing and servicing personnel and 945 corporate, administrative and management personnel., Referring to the “Financial information” section in the Management report for more information about the Group's overall financial position year-over-year and the “Outlook” section in the Management report for overall performance drivers in 2025 and market outlook.

## Our global presence

The Group is a global company, with locations in 15 countries and sales in over 80 countries in 2025. The Group is headquartered in Amsterdam, Netherlands, with two major regional operational centers located close to key offshore areas in Houston, Texas, USA, and Kristiansand, Norway. In addition to our sales offices and direct sales efforts, the Group incorporates distributors and manufacturing sales representatives into the Group's sales and marketing channels in certain limited locations to market the Group's various offerings.

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<sup>1</sup> Note 2.5 and 6.2 in the Consolidated Financial Statements for further details



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)
- Pressure Control Systems (PCS)

The segments are managed by the Chief Operating Decision Maker (CODM), who is the Group's 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.

### 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 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 on installed equipment and integrated digital solutions (rig intelligence/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.

Projects and Products		Aftermarket Services	Spare Parts
Sale of projects	Sale of equipment	Services on installed base	Parts on installed base
<p>HMH is one of the few global original equipment manufacturers ("OEM") with the capability to deliver a comprehensive drilling equipment package suitable for offshore and environmentally sensitive operations.</p> <ul style="list-style-type: none"> <li>Top side drilling packages</li> <li>Integrated hybrid energy power solutions</li> <li>Pressure control systems</li> <li>Equipment certified for drilling in the harsh environments of the NCS<sup>1</sup></li> </ul> 	<p>In addition to large integrated packages, HMH sells new pieces of equipment and components to customers. This allows HMH to help customers in the rig market looking to upgrade or replace components of their fleets.</p> <ul style="list-style-type: none"> <li>Top drives</li> <li>Mud pumps</li> <li>Replacements on existing land-rigs</li> <li>Opening new markets</li> <li>Replacements on large, high-spec land rigs</li> <li>Increasing installed base</li> </ul> 	<p>As the OEM of complex, critical equipment, some of which is subject to regulatory oversight, HMH is frequently engaged to provide ongoing service and maintenance, including:</p> <ul style="list-style-type: none"> <li>Fact-based decision support</li> <li>Potential upgrades, extending lifecycles</li> <li>Maintenance and repair</li> <li>Equipment certification</li> </ul> 	<p>In addition, HMH provides replacement components for installed equipment used in oil and gas drilling operations. These parts are designed to meet the specifications and standards of the original product, ensuring compatibility, quality, and performance.</p> <ul style="list-style-type: none"> <li>Global Distribution Network</li> <li>Quality &amp; reliability</li> <li>OEM Standards</li> <li>Availability and Accessibility</li> </ul> 

### Drilling (offshore and onshore)

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 includes:

- Topside equipment, derrick handling, control systems and automated solutions, mud systems for floaters, jack-ups, platform rigs, and onshore rigs
- Risers for floaters
- Pressure control systems and BOPs for floaters, jack-ups, platform rigs, and onshore rigs

The 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 encompass 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 major OEMs.

### Mining and Construction

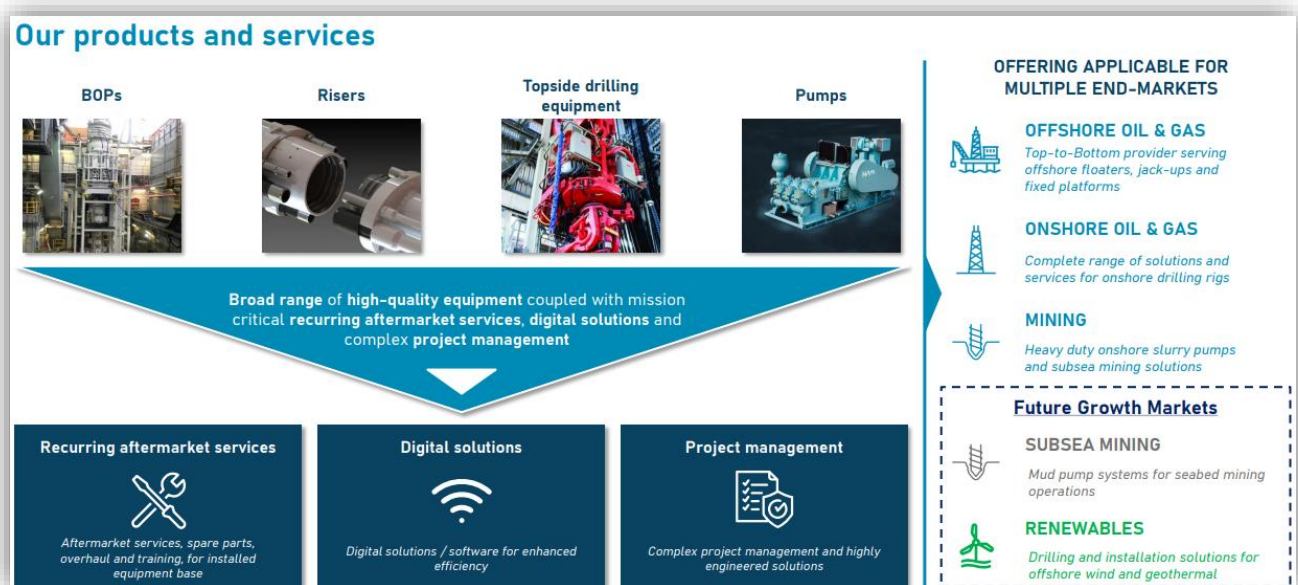
The Group participates in certain non-oil related industries, primarily through provision of products and services to the mining and construction segments. These include:

- Slurry pumps that are 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.
- 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



Referring to the “Strategy and business” section in the Management report for more information about the Group’s R&D activities and programs.



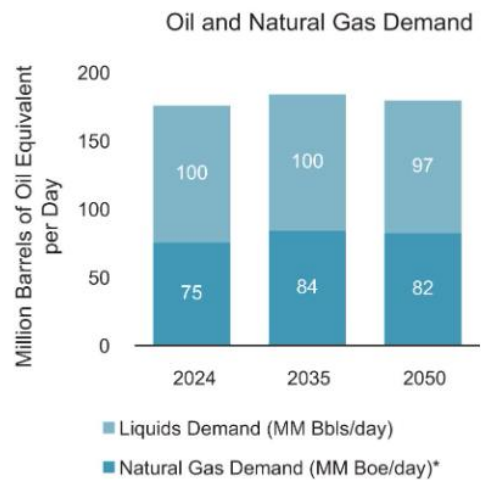
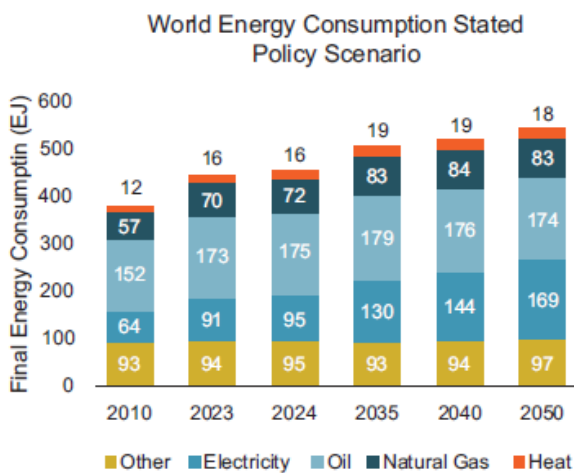
## Outlook

The Group expects 2026 activity (revenue, FTE and CAPEX) to remain at similar levels as in 2025, with growth anticipated in subsequent years. Further details on the trends and key drivers supporting this outlook are provided below.

### Global energy demand and crude oil production

The Group’s products and services primarily serve customers that support or are engaged directly in the exploration and production of oil and gas (“E&P operators”). As a result, the demand for our products and services is tied to the level of drilling activity and the spending of E&P operators associated with supplying hydrocarbons.

While there is a concerted effort in much of the world to increase the share of energy provided by renewable energy sources, it is expected that oil and gas will remain a critical component of the energy mix through 2050. According to the IEA’s 2025 World Energy Outlook, global energy consumption is expected to increase to 541 EJ (exajoule) by 2050, a 19% increase from 2024 levels and a 43% increase from 2010 levels.



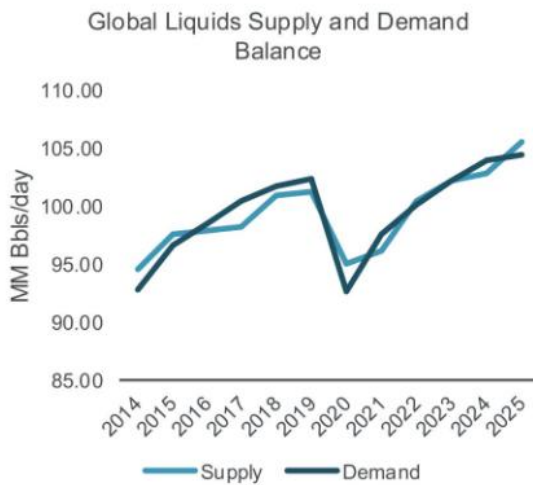
Source: IEA 2025 World Energy Outlook

Source: IEA 2025 World Energy Outlook  
 \* Note: Converted from Bcm at a factor of 6.42857 Bcm/MM Boe and 365 days

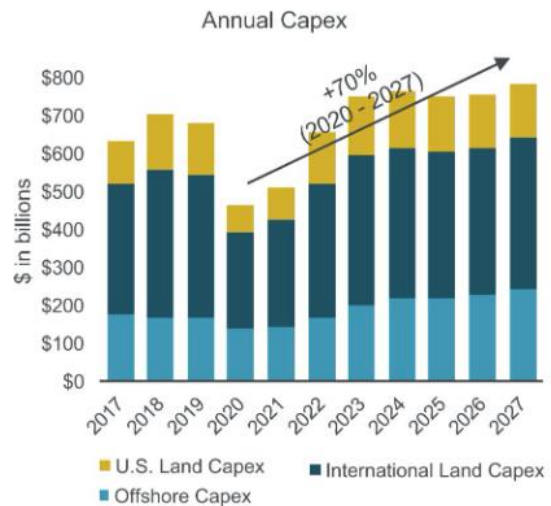
The increase in energy consumption is expected to largely be driven by expanding populations and increasing energy intensity of emerging economies. The largest increase in consumption is expected to come from electricity, with demand increasing from 95 EJ in 2024 to 169 EJ in 2050. Oil and natural gas will continue to be critical components of electricity generation and demand, as oil is expected to plateau while natural gas increases through 2035 and both decline gradually thereafter through 2050. The IEA’s Stated Policy Scenario indicates further growth through 2035 in oil consumption and through 2040 in natural gas consumption before peaking.



During the recent slowdown in global economic activity resulting from COVID-19 and related volatility in commodity prices, global investment activity by E&P operators decreased as the industry focused on cash preservation. Rystad Energy estimates that 2020 global upstream capital expenditures decreased 33% from 2019 levels to approximately \$470 billion. Capital expenditure levels remained below 2019 levels until 2023. This resulted in the first notable annual decline in the supply of hydrocarbon liquids (crude oil, natural gas liquids and related commodities) in recent history. Rystad Energy estimates that hydrocarbon liquids demand decreased approximately 10% from 2019 to 2020. However, as a result of the long lead times associated with oil and gas production, the retraction in spending during the period and the strong economic recovery from the shutdowns relating to COVID-19, Rystad Energy recorded an average annual supply shortfall of 0.6 MM Bbls/day from 2021 to 2024, which recovered in 2025 to a supply surplus of 1.1 MM Bbls/day.

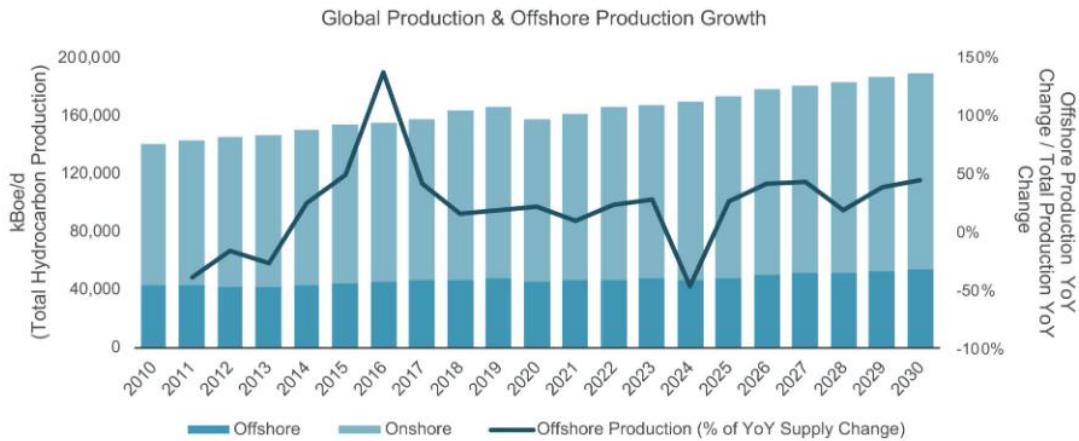


Source: Rystad Energy UCube



Source: Rystad Energy UCube

Global production of hydrocarbons is expected to grow through 2030 to support increasing demand in power generation, transportation fuel and other consumer end products and growing energy intensity of emerging economies in South America, Africa and Asia. Total global production is expected to increase from 172 MM Boe/day in 2025 to 188 MM Boe/day in 2030. While overall global supply is expected to increase by approximately 16.2 MM Boe/day, or 9%, from 2025 to 2030, offshore production is expected to grow 13% over that same period, or 6.1 MM Boe/day.



Source: Rystad Energy UCube

It should be noted, however, that, beyond the 2030 time horizon, Rystad Energy expects that the lack of investment in exploration-directed activity during the last cycle could result in a more pronounced shortfall in global liquids supply in a conservative demand scenario. Rystad Energy has analyzed the potential liquids demand under a +2.2 degree Celsius and +1.9 degree Celsius level (versus pre-industrial levels) and found that the currently identified discoveries and the existing under-development and producing fields will not be sufficient to support demand. Deepwater offshore is one of the few target areas with the potential to meaningfully increase identified resources.

The expected shift in spending towards offshore and away from land-directed activity is a reversal of the shift towards unconventional land production from 2012 to 2015, which was largely driven by the significant resource identified in U.S. shale, and in particular, in the Permian basin where horizontal drilling and hydraulic fracturing allowed operators to extract significantly greater volumes from the reservoir. Given rapid decline rates in shale and tight oil reservoirs and decreasing productivity from onshore non-OPEC production, Rystad Energy expects to see offshore deepwater production as the main contributor to global non-OPEC oil supply beyond 2027.

As previously noted, operators prioritized investments in shorter-cycle, unconventional projects primarily in the United States. This resulted in the rapid increase in production in the United States over this period and decline in offshore-directed spending beginning in 2014 and 2015. Rystad Energy estimates that shale and tight oil spending accounted for 12% of total global E&P spending in 2010 and increased to 23% in 2025. However, Rystad Energy estimates that approximately 14,000 additional offshore wells will be required to be drilled between 2025 and 2028 to meet future demand. Further, the costs of production offshore and declining productivity from U.S. shale resources have resulted in deepwater development costs being on par with those of shale resources, a marked shift from prior years.

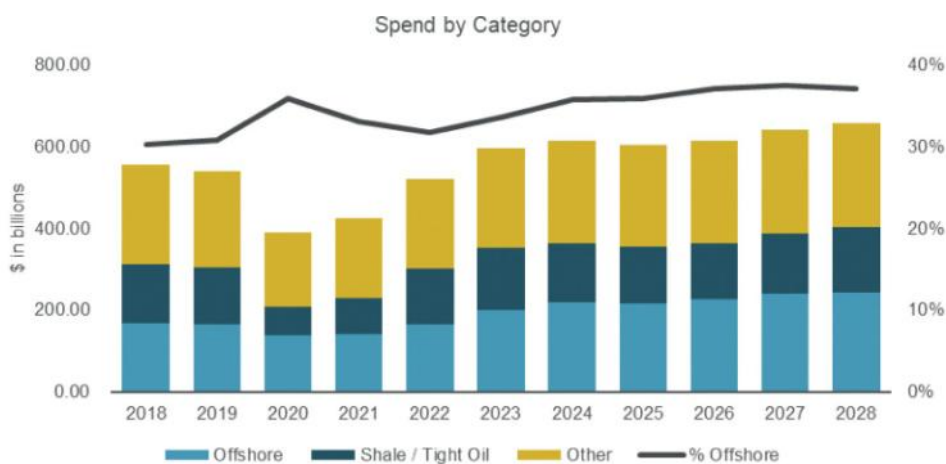
In addition to the larger resource base and competitive cost profile of offshore production relative to shale activity, offshore production compares favourably to all other sources of production on an emissions basis.



Deepwater production is estimated to have a GHG emissions intensity of 10 kg CO<sub>2</sub>e per Boe, 15 to 20% below that of shale, and approximately 50% below conventional onshore. Given the ESG focus of E&P operators, the lower emissions intensity of offshore production is a further incentive to increase spending on offshore directed development.

### Global onshore and offshore exploration and production

Rystad Energy estimates that to support the expected increase in demand for both oil and natural gas through 2030, offshore-directed spending will need to increase to \$240 billion in 2027 from \$212 billion in 2024, which is a 71% increase from the \$140 billion spent in 2021, and approximately 14,000 additional offshore wells will be required to be drilled between 2025 and 2028. Of these, approximately 2,800 are expected to be deepwater wells, which will require a floater, and the balance will be in shallow waters, thus supporting jack-up drilling rig activity. This increase in investment serves as a notable tailwind for our business.



Source: Rystad Energy UCube

### Global offshore drilling market dynamics

The offshore contract drilling industry provides drilling, workover and well construction services to E&P companies primarily using jack-up rigs, semisubmersible rigs and drillships. The offshore drilling market is generally segmented into two large categories: shallow and deepwater drilling. Shallow water drilling, which is typically conducted in water depths of up to approximately 450 feet, tends to be in areas relatively close to shore and utilizes jack-up rigs. Deepwater activity requires a semisubmersible or drillship (collectively referred to as "floaters"), which are capable of drilling in water depths of up to 12,500 feet.

### Semisubmersibles and drillships (floaters) market

Floaters include semisubmersibles and drillships. A semisubmersible rig is a floating platform supported on pontoons and columns submerged below sea level while the operating deck is above sea level. The rig features a ballasting system that can vary the draft of the partially submerged hull from a shallow transit draft

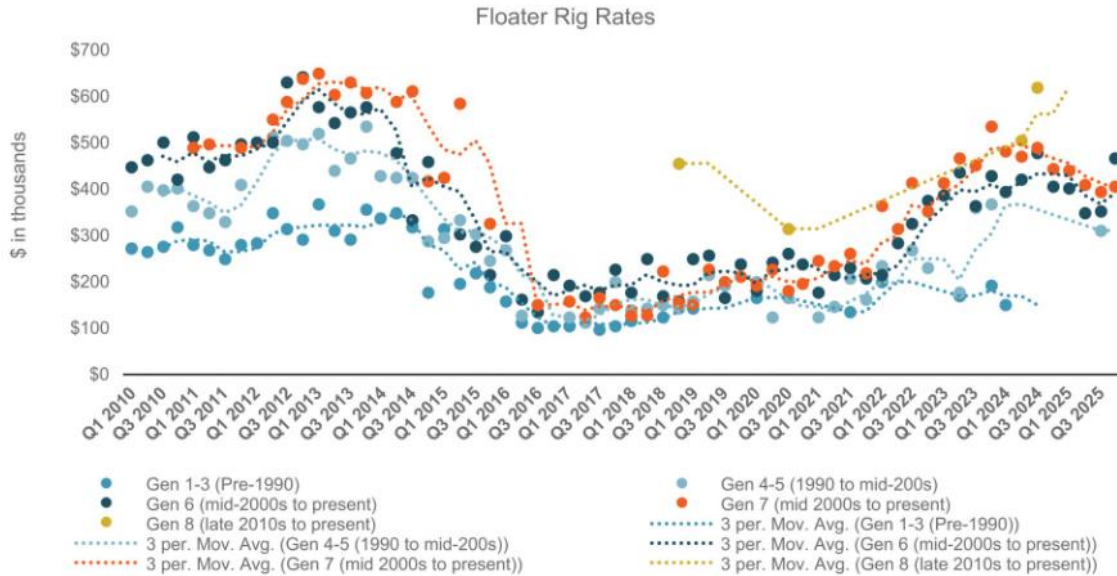


to the required, deeper, operational draft. Semisubmersibles move on location by tugs or, if self-propelled, can relocate independent of such vessels. The rig stays in position by either a conventional mooring system or a computer-controlled system known as a dynamic positioning system. A drillship is a self-propelled ship-shaped vessel including a drilling package and station-keeping equipment. Drillships are kept on location by either a conventional mooring system or a dynamic positioning system. Typically, drillships operate in deeper waters and are suitable for operations in remote locations because of their mobility and large deck load capacity. Once on location, the drillship utilizes either anchors or a dynamic positioning system to stay on location.

Prior to the aforementioned shift in activity focus in the mid-2010s, the offshore floater market experienced significant growth and investment. Rystad Energy estimated that 239 floaters, primarily midwater moored semisubmersible rigs, had been delivered globally from 1970 to 2005, when the technology developed. Since 2005, orders were placed for 207 modern floaters. 188 have been placed in service as of 2025, which includes six rigs that were ordered prior to 2005, and the balance of 13 remains in shipyards. Notably, there have been effectively no newbuild orders for floaters since 2014. Demand for our products, either in the form of replacement spare parts or upgrades to equipment in need of major refurbishment, increases as these floaters continue to age and are subject to the wear-and-tear of continued use, and our aftermarket services are critical to maintaining the safety, reliability and productivity of these older floaters. Additionally, some rig contractors may choose to replace the entire topside package on an older floater but retain the existing hull, which we can provide through the sale of one of our comprehensive drilling projects.

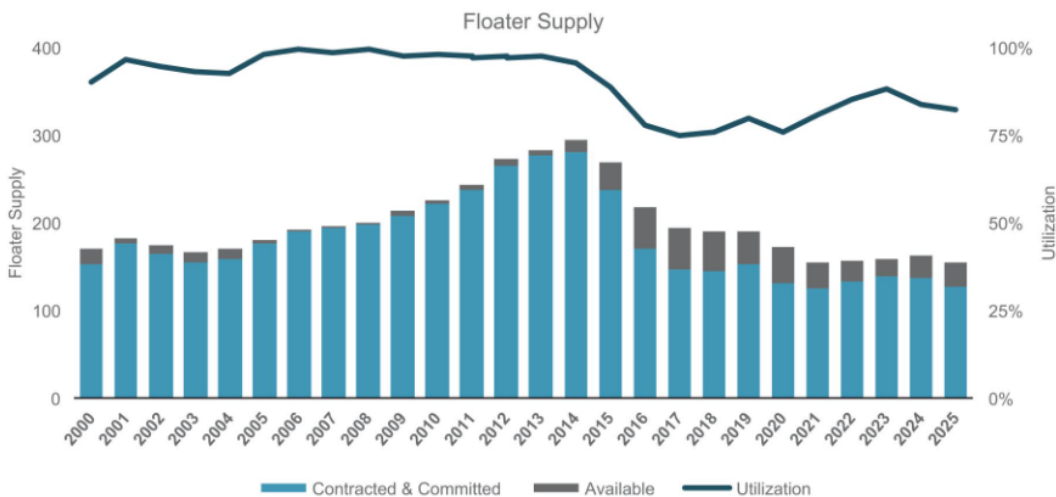
In addition to the shortage of newbuild floater activity in recent years, 210 floaters have been retired from the global fleet since 2010, leaving the available number of floaters at 173 by year-end 2025, according to Rystad Energy. We are poised to supply our integrated, comprehensive drilling projects for any newbuild rigs manufactured to replace aging or retired floaters.

The rapid pace of retirements in the industry has resulted in a significant recovery in both day rates and utilization levels across the available fleet. In particular, day rates and utilization for modern 6th generation rigs and above (defined as rigs capable of operating in over 7,500 feet of water, with dynamical positioning and built in the last 20 years) have displayed a notable recovery. Day rates for these modern high-spec floaters have recovered to levels not seen since the prior peak in the mid-2010s. These averaged approximately \$434,000 for combined 6th and 7th generation floaters in the fourth quarter of 2025, 20% higher than the same period in 2022.



Source: Rystad Energy UCube

According to Rystad Energy, marketed contracted utilization rates for the current floaters are reported to be in the low-80% range as of December 2025 due in large part to the retirement of floaters. Utilization rates at this level have not been seen since 2014. The current fleet includes 19 cold stacked floaters. Of the cold stacked fleet, 8 were cold stacked prior to 2020, and of the remaining 11 cold stacked rigs, four are 2nd, 4th and 5th generation rigs that are not competitive in the modern drilling market. The remaining seven cold stacked floaters are potential reactivation candidates at current day rates.



Source: Rystad Energy UCube



## Jack-up market

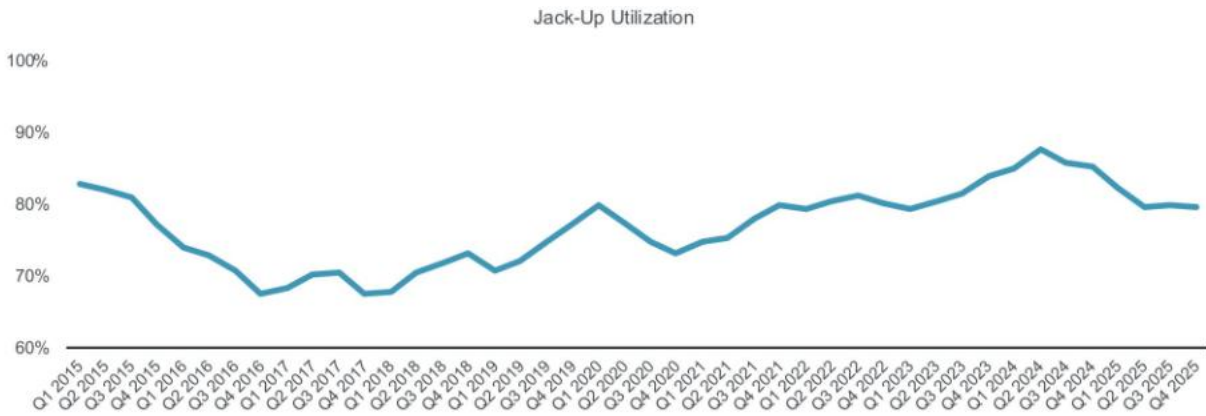
Jack-up rigs are bottom-supported and self-elevating units with three or four movable legs that can be extended, or “jacked,” above or below the drilling deck, or hull. Jack-up rigs are mobile and their legs can be lowered to the ocean floor until a foundation is established for support. Jack-up rigs are towed to the offshore drill site with the hull, which is a water-tight barge that floats on the water’s surface, lowered to the water level, and the legs extended above the hull. When the rig reaches the drill site, the crew jacks the legs downward through the water and into the sea floor. This anchors the rig and allows the hull and the drilling deck to be elevated to a height well above the waves. When the transit distances are long, the jack-up rig is placed on heavy-lift vessels for transport.

The jack-up market is categorized between standard and premium jack-ups. Standard or commodity jack-up rigs are generally capable of operating in water depths of less than 350 feet or without an independent leg cantilever design. Premium jack-ups are characterized by independent-leg cantilever designs and are generally rated to work in water depths in excess of 350 feet. Both standard and premium jack-ups are suitable for use in benign drilling environments, such as the U.S. Gulf, Mexico and Southeast Asia. High-spec jack-ups are a subset of premium jack-ups that may feature a larger lifting capacity (hook load capacity of in excess of 1.5 million pounds, larger mud pumps and those capable of operating in water depths in excess of 350 feet) and that are rated to withstand operations in harsh environments such as those seen in the North Sea or capable of drilling very deep, high pressure gas wells. Jack-up rigs are also generally suited to working in shallow water environments.

Similar to the floater market, the jack-up market experienced significant investment through the mid-2010s with 343 jack-ups ordered between 2005 and 2016 and 333 delivered to the fleet since 2005, which includes 14 ordered prior to 2005. However, it should be noted that 25 of the jack-ups ordered between 2013 and 2016 are still in the shipyard with deliveries scheduled through 2036, indicating that these rigs are unlikely to enter service.

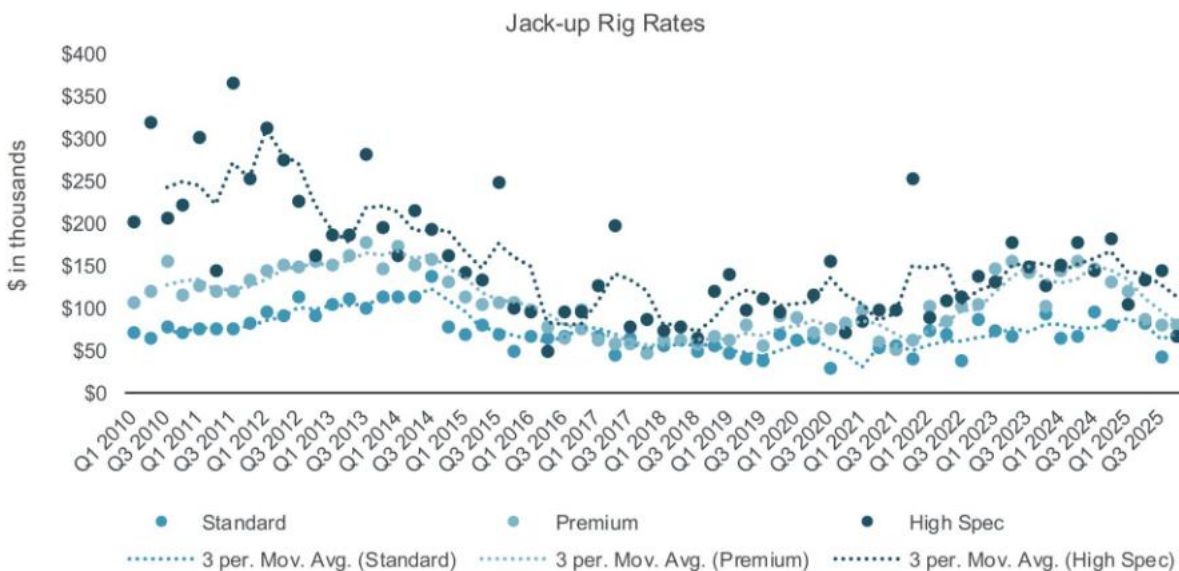
During the period from 2010 to 2022, 223 jack-ups rigs were formally retired from the global fleet, partially offsetting newbuilds being delivered from shipyards. The current global jack-up fleet stands at 484 rigs as of December 2025. Of these, 292 are premium or high-spec rigs, of which only 272 were delivered since 2000.

Rystad Energy estimated that the current jack-up fleet stands at 484 rigs, while demand sits at 340 rig years as of December 2025, which has resulted in the contracted utilization for the jack-up fleet to increase to 80% as of December 2025, a significant increase from the secular low of 67% during the fourth quarter of 2017 and the first quarter of 2018.



Source: Rystad Energy RigCube

According to Rystad Energy, the market for premium and high-spec jack-ups is even tighter than the utilization would indicate for the broader jack-up fleet as operators increasingly show a willingness to pay for, and preference for, modern jack-up rigs given the increased operational window and efficiency of these rigs relative to older and lower-spec rigs in the fleet.



Source: Rystad Energy RigCube

We believe that there is limited availability of premium, modern jack-ups that could be supportive of continued newbuild activity in the near term as operator requirements continue to increase and the availability of suitable jack-up rigs remains limited.



## Critical minerals

The global critical minerals industry encompasses the extraction of valuable metals and minerals from the earth's surface. It plays a crucial role in various sectors, including energy, manufacturing and infrastructure, automotive, aerospace, plastics and the electrification and infrastructure for renewable energy. Accordingly, the critical minerals industry plays an active and growing role in our portfolio of products, specifically our slurry pumps. These pumps are used to extract and transport material, an activity that is increasingly crucial to supporting electrification infrastructure build-out initiatives.

Near-term demand for critical minerals already reflects this increasing demand. According to Wood Mackenzie, demand for lithium and cobalt is expected to see year-over-year growth in 2025 of 25.8% and 14.1%, respectively. Battery electric vehicles require around two to five times more minerals than conventional cars, and passenger battery electric vehicle penetration is expected to rise from 13% in 2024 to 37% in 2035, illustrating alternative energies' massive dependence on mineral supplies. Global refined copper production capability is projected to grow by 9.1% in 2026 while Democratic Republic of the Congo export constraints continue to limit cobalt supply, expected through early second quarter of 2026. A significant ramp in mining activity is required to meet the increasing demand from large-scale electrification and renewable energy initiatives.

From 2023 to 2028, the demand for key mineral production from end markets that we currently serve, including copper, lithium, cobalt and nickel, is expected to increase significantly. Wood Mackenzie expects to see the annual consumption of these critical minerals increase by 8.0 megatons from 2023 to 2028, driven by a 5.7 megaton increase to 37.7 megatons per year for copper, a 1.1 megaton increase to 4.3 megatons per year for nickel, a 1.2 megaton increase to 2.2 megatons per year for lithium and a 0.1 megaton increase to 0.3 megatons per year for cobalt. We expect continued growth in the demand for our existing portfolio of mining related equipment, primarily our slurry pumps, as mining companies invest in expanding their facilities and developing recently identified sites.



## 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.<sup>3</sup>

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 2025:

- i) Development of a rotating control device (RCD) along with associated equipment to enable open water, riserless drilling and Managed Pressure Drilling systems.
- 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 Electrical Subsea & Drilling AS (ESD) and further developed in the Group since 2022. This testbed is also being used to bring 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.



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<sup>3</sup> The accounting treatment for R&D expenditures is described in note 1.2 – Material accounting policies in the Consolidated Financial Statements



All R&D programs will continue into 2026, and the Group continues to explore potential partnership avenues to aid in our development efforts. The R&D efforts for 2026 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 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 2025 that we will continue to explore in 2026.

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, senior secured bonds, current and non-current loans, committed credit facilities and borrowings.<sup>4</sup>

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 future business development. To raise funding, the Group considers a wide range of financing options including committed credit facilities, bond issuances, and equity contributions. During December 2025 the Company refinanced its bond and amended its credit facility. The USD 200 million Oslo Stock Exchange listed callable senior secured bond (ISIN: NO0012063495), maturing November 16, 2026, was initially privately placed with a new USD 200 million callable senior secured bond (ISIN: NO0013700039) maturing December 17, 2028. The maximum issue amount of the new bond is USD 325 million, which gives the Company the ability to issue additional bonds of USD 125 million under the same bond framework. Any such additional issues are subject to market conditions and investor appetite. The Company will ensure that the new bond will be listed on Euronext ABM, a non-regulated market operated by Euronext Oslo Børs, within 6 months after the issuance. The USD 50 million super senior revolving credit facility (RCF) agreement was amended, increasing the facility size by USD 25 million to USD 75 million. The facility tenor was extended to equal the new bond (ISIN: NO0013700039) less than 6 months. The Group believes that existing cash on hand, cash generated from operations and available capacity under the committed credit facility of USD 75 million and the USD 200 million senior secured bond will be sufficient to meet the Group's liquidity needs in the short term and long term.

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<sup>4</sup> Note 4.5 and 4.7 in the Consolidated Financial Statements for further details



HMH Holding B.V., the parent company of the Group, must comply with certain financial covenants under its Facility Agreement and bond terms.<sup>5</sup> 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 strong capital base in the future 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.

## 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 on the Group's reputation. To manage and mitigate risks within the Group, risk evaluation and assessment are an integral part of all business activities, see risk area "Finance and reporting" in the table below for further details. 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 utilized to mitigate risks and not utilized 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 impact 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. These tariffs were later found to have exceeded presidential authority and were invalidated by the courts. Following such ruling, President Trump implemented a 150-day "global tariff" of 10% effective February 24, 2026, using presidential powers under the Trade Act of 1974, and indicated a desire to increase such "global tariff" to 15% and to seek to extend such tariffs under other statutes. Current and future uncertainties about tariffs and their effects on trading relationships may affect costs for and availability of raw materials and component parts or contribute to inflation in the markets in which the Group operate. Although the Group continues to monitor the economic effects of tariff-related announcements, as well as opportunities to mitigate their related impacts, costs and other effects associated with tariffs remain uncertain.

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 to reduce the risk.

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<sup>5</sup> Note 4.5 in the Consolidated Financial Statements for further details



Risk area	Risk	Risk description	Risk appetite	Measures to mitigate risk
<b>Strategic</b>	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 markets and products.</p> <p>Access to sufficient funds to take on 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 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	<p>The Group has strategic partnerships to ensure an efficient and effective global supply chain.</p> <p>Maintains a stock of critical components, if necessary.</p>
<b>Operational</b>	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	<p>Maintain a good reputation and ESG philosophy to attract and retain employees.</p> <p>Retention programs for key personnel (e.g., share based compensation)</p> <p>The Group offers competitive compensation packages. Engages in cooperation programs with universities.</p>
	Operations in developing countries	The Group's operations in 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 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.
<b>Financial and reporting</b>	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	The Group performs close monitoring of oil price fluctuations and performs analysis of the impact of oil price variations to the market 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 changed the FX hedge policy during 2025 to hedging FX risk based on net risk per currency on group level. Some ongoing material customer orders still have specific FX hedging related to FX risks. Future material contracts may be hedged specifically by forwards FX contracts to secure the contract order value.
	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		Assessment of credit risk related to customers and



		Group if customer or counterparty to financial investments/instruments fails to meet contractual obligations and arise principally from investment securities and receivables.	Low	<p>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 &amp; Bradstreet and Credit Watch)</p> <p>Derivatives are only traded against approved banks. All approved banks have investment grade ratings.</p>
	Liquidity risk	Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities.	Low	<p>The Group's Treasury maintains flexibility in funding by maintaining availability under committed credit lines.</p> <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>
<b>Compliance</b>	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,</p>



				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	<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>
	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 of 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 is 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 position and revenues could be affected if the Group is unable to compete efficiently. In the Group's 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 is 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, employment, 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 order to attract and hire the best candidates



for our organization. The Group focuses on identifying individuals who align with our values, possess the necessary skills and expertise and demonstrates 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 Group's 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 Group's 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 a robust Code 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 2025.

### Health and safety risk

The Group is exposed to certain health and safety risks, 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 into 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 a 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<sup>6</sup>

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 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

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<sup>6</sup> Note 4.1 in the Consolidated Financial Statements for further details



the respective functional currency of the group company. The Group's exposure to currency risk is primarily to EUR, GBP and NOK, although exposures to other currencies also occur.

The Group considers itself a USD based business, as its main income and significant operating assets are predominantly priced in USD, and the consolidated financial statements are presented in USD. As USD is the predominant currency, the Group's policy is to hedge transaction exposures in material non-USD currencies. Other currency exposures may be hedged on an ad-hoc basis following assessment and approval by Group Treasury. Where possible, the Group seeks to reduce foreign exchange risk matching cash inflows and outflows in the same currency ("natural hedging") thereby limiting net exposure. Where natural hedging is insufficient, the Group mitigates foreign exchange risk by entering into foreign exchange forward contracts and/or currency options.

### 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 201 million (compared to USD 215 million at year end 2024), excluding fixed rate shareholder loans, accrue at a fixed interest rate of 7.875% p.a. (senior secured bond due November 2026: 9.875% p.a.) and mature on December 17, 2028. 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<sup>7</sup>

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

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<sup>7</sup> Note 4.1 in the Consolidated Financial Statements for further details



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 losses in respect of trade receivables and contract assets, the Group establishes a provision for impairment losses. Provisions for losses 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.<sup>8</sup>

The Group's access to funding sources and other credit arrangements in amounts adequate to finance the Group's current and projected future business operations could be significantly impaired by factors that affect us, any financial institution 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's 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

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<sup>8</sup> Note 4.3 in the Consolidated Financial Statements for further details



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 based on expected cash flow. HMM had a liquidity reserve as at December 31, 2025, of USD 172 million, composed of undrawn committed credit facilities of USD 76 million and cash and cash equivalents of USD 97 million.

### 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 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

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 because 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 insure the Group against 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 (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.”<sup>9</sup>

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<sup>9</sup> Note 5.1 in the Consolidated Financial Statements for further details



## Financial information

The Group'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 April 9, 2026. The Group's accounting policies are shown in the Annual Financial Statements 2025.<sup>10</sup>

Overall management analyzed the performance of the Group for 2025 and noted that operations are in accordance with their expectations. HMH's advanced strategic initiatives will continue to materialize, driving meaningful improvements in cost efficiency, margin performance and operational resilience through varying market conditions. Please refer to the below section "Financial performance" where management explains the developments for the borrowings and operational performance.

The results below reflect performance for the twelve-month period ended December 31, 2025.

<i>Amounts in USD million</i>	<b>1.1. - 31.12.2025</b>	<b>1.1. - 31.12.2024</b>
<i>Revenue and other income</i>	821.7	843.3
<i>EBITDA<sup>11</sup></i>	160.1	162.1
<i>EBITDA (adj)<sup>12</sup></i>	167.0	168.0
<i>Net profit (loss)</i>	41.1	45.5
<i>Operational cash flow</i>	96.2	45.2
<i>Total assets</i>	1,356.0	1,384.0
<i>Total equity</i>	699.9	631.8

## Financial performance

The Group reported financial performance in 2025 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 reactivate their rigs. In the balance sheet total assets decreased, mainly a result of positive impact of inventory optimization and working capital improvements, while equity increased due to strong cost efficiencies and positive currency translation reserve effect, compared to 2024. The Group is a business with activity for which revenue recognition for

<sup>10</sup> Note 1.1 – 1.3 in the Consolidated Financial Statements for further details

<sup>11</sup> This is a non-GAAP measure and is further explained in the "Non-GAAP financial measures" section

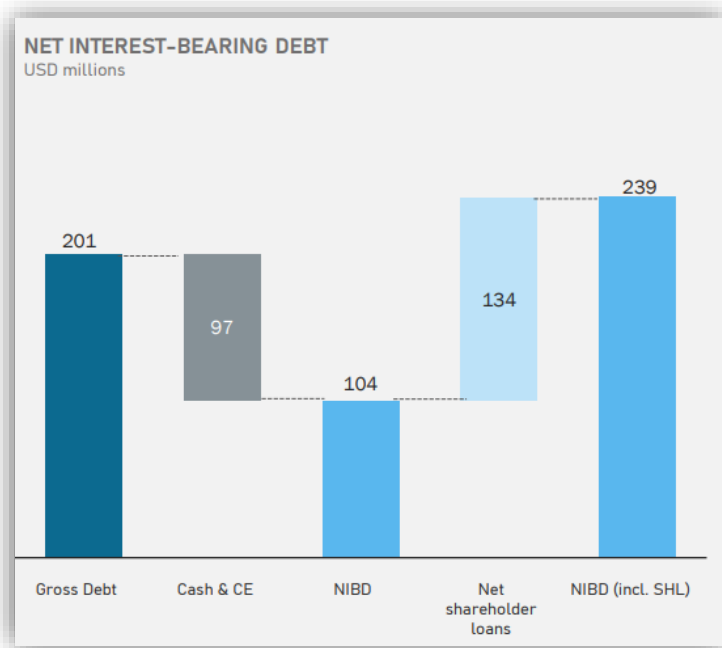
<sup>12</sup> EBITDA adjusted for non-recurring expenses or costs defined as outside of normal company operations



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.

Revenue decreased by USD 21.6 million, or 2.6%, to \$821.7 million in the year ended December 31, 2025, from \$843.3 million in the year ended December 31, 2024. The overall decrease in revenue was driven by decreases in spare parts revenue, product revenue and related party revenue of USD 23.6 million, USD 12.0 million and USD 3.2 million, respectively. This was partially offset by an increase in service revenue of USD 17.2 million. Net cash flow from operating activities was USD 96 million compared to USD 45 million in 2024.

The Company has total borrowings of USD 344 million as of December 31, 2025. The table below from the HMH 4Q 2025 Earnings Release presents the gross debt and shareholder loans as part of the “Net interest-bearing debt” presentation <sup>13</sup>



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 (as amended, the “Shareholder Loan Agreement”). The total amount of shareholder loans as of December 31, 2025, is USD 144 million and will not be settled prior to external debt. Earliest maturity date is set to December 18, 2028, or a Liquidation event.

<sup>13</sup> Gross shareholder loan of USD 144 million net of a USD 9 million interest bearing receivable towards shareholders



On or around December 17, 2025, the Company replaced its existing USD 200 million senior secured callable bond (ISIN code: NO0013063495) with a new USD 200 million senior secured callable bond (ISIN code: NO0013700039). The net proceeds from the bond issue were used to refinance the existing bond loan, pay accrued interest up to the date of redemption and existing revolving credit facility. The Bond pays a fixed coupon of 7.875%, and the maturity date is December 17, 2028. The new bond is expected to be listed on the Euronext ABM, a non-regulated market, in Q2 2026.<sup>14</sup>

During 2026, the Group continues to go through organizational changes and as a result of these changes, the Group anticipate discontinuing segment reporting based on ESS and PCS and the Chief Operating Decision Maker (“CODM”), who is our Chief Executive Officer, will begin assessing performance and making resource allocation decisions based on the breakdown between (i) sales of projects and products, (ii) aftermarket services and (iii) sales of spare parts.

## Recent developments

### Acquisition of Deep Blue Oil & Gas Limited

On October 1, 2025, Hydril PCB Limited completed the acquisition of Deep Blue Oil & Gas Limited (“Deep Blue”), a UK-based company specializing in managed-pressure-drilling (“MPD”) systems, for a total consideration of approximately £3.3 million (USD: 4.5 million) in cash and £1.5 million (USD: 2.0 million) in contingent consideration. Deep Blue holds a portfolio of patents and proprietary technology with applications in offshore drilling, including advanced MPD control and sealing systems. The Group recognized £1.9 million (USD: 2.6 million) of identified intangible assets, £0.2 million (USD: 0.3 million) in cash and £2.7 million (USD: 3.6 million) of goodwill associated with this acquisition. The contingent consideration consists of deferred payments by the Group to the acquiree’s prior equity holders for three years, contingent on meeting the specific earnings and operational targets. 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.<sup>15</sup>

## 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

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<sup>14</sup> Note 4.7 in the Consolidated Financial Statements for further details

<sup>15</sup> Note 6.1 and 6.2 in the Consolidated Financial Statements for further details



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.

## 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
<b>EBITDA</b>	Defined as the profit/(loss) for the year/ period before net financial income (expenses), income tax expense, depreciation, amortization and impairment.
<b>Adjusted EBITDA</b>	Defined as the profit/(loss) for the year/ period before net financial income (expenses), income tax expense, depreciation, amortization and impairment (EBITDA), adjusted for non-recurring items affecting comparability.



## 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. ESG matters are reviewed periodically by Executive Management and the Audit Committee as part of the Group's risk and compliance framework (referring to the "Significant risks and uncertainties" section). The Group continues to actively monitor ongoing developments of regulations and disclosure requirements related to ESG, CSRD and EU-Taxonomy matters to be prepared for future reporting requirements.

### Environment

The Group is dedicated to reducing its environmental impact. Recognizing our role in the oil and gas extraction industry and industry associated with significant environmental footprints, we remain focused on designing products and services that minimize adverse environmental effects. Our operations prioritize the safe and efficient use of energy and natural resources, and we aim to use materials and energy efficiently while minimizing waste and environmental harm.

The Group is certified to ISO 14001:2015, demonstrating our commitment to a structured environmental management system, transparent governance, and continual improvement. Maintaining this certification remains a core objective, supported by regular internal audits, management review, and ongoing compliance activities. In line with this commitment, and to drive further performance improvements, the Group has established clear environmental objectives and initiatives.

### Environmental objectives and key initiatives

To strengthen our environmental performance, we focus on improvements across several areas as; energy efficiency by reducing electrical power consumption and natural gas consumption; waste and circularity by reducing total waste generation and increase the waste recycling rate; lower-emission mobility and travel by increasing the use of electric and hybrid vehicles where feasible and reducing business travel by increasing virtual meetings; responsible sourcing by prioritizing purchasing steel with a lower emissions footprint where commercially and technically viable, in alignment with quality and delivery requirements and customer impact through technology by supporting customers with improved technology and solutions that help reduce environmental footprint through safer, more efficient operations and reduced resource use.

These objectives are managed and tracked through our ISO 14001-aligned processes, with regular reviews to confirm progress and identify additional improvement opportunities.



## 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 based on 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 contract with those who employ or use child or forced labor and will not tolerate working conditions or treatment that conflicts with international laws and practices.

Human rights due diligence is embedded in the Group's operations and sourcing department through risk-based assessments and ongoing monitoring to identify, prevent, and mitigate potential adverse impacts, and the Group screens suppliers and includes contractual requirements for ethical conduct and compliance with applicable labor and human-rights standards.

### People, Culture and Community Involvement

HMH supports employee development and continuous learning through a structured offering covering professional development, wellbeing and safety. Mandatory and optional training is administered through Workday and includes both internal and external learning opportunities, including access to a broad digital course library (e.g., LinkedIn Learning). This supports competence building, engagement and consistent ways of working across the organization.

HMH's HSSE annual cycle provides a consistent framework to deliver HSSE commitments, strengthen safety culture and verify that risk controls remain effective. Progress is monitored throughout the year through defined activities and performance follow-up, and priorities are updated based on trends, audit outcomes, lessons learned and changes in operational risk.

HMH contributes to social responsibility in the communities around our locations through proactive local engagement and targeted support where we can create practical, long-term value. This includes supporting local employment and skills development through apprenticeships, training and collaboration with educational institutions, and strengthening local supply chains by working with qualified local suppliers where feasible. We encourage employee involvement through volunteering and participation in local initiatives and support selected community partners in a transparent and responsible manner. Across all locations, the approach is to act with integrity, respect local needs and regulations, and continuously improve community engagement based on feedback and experience.



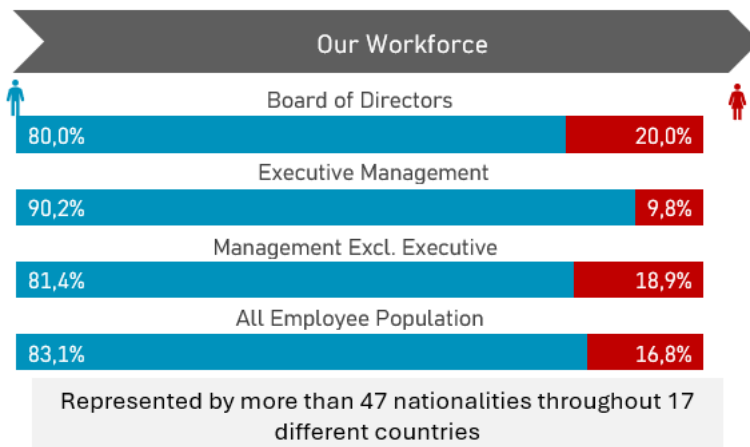
## Diversity

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.

The Group's key social priorities for 2025 were to keep the voluntary attrition rate below 7% and increase the female-to-male ratio by 3%. The 2025 results were 5.8% voluntary attrition, while the female-to-male ratio remained unchanged from 2024 to 2025.

The illustration below gives an overview of Gender Composition in HMH end of 2025:



HMH Norway can report that the company has been re-certified by "Likestillt Arbeidsliv" as an Equal Workplace. The certification was first awarded to HMH in 2022, under what was then a newly established program initiated by Agder County Municipality. The certification is awarded based on various criteria revolving social sustainability, and its purpose is to guide and encourage companies in their active efforts to uphold the continuous and collective efforts needed to meet the certification standards.



## 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 sustainable long-term performance and growth. 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.

Although the Company did not have listed financial instruments at December 31, 2025, the Company applies the principles of Decree Management report requirements applicable to entities 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 that no governance breaches, no conflict of interests and no regulatory issues have been noted during the reporting period.

The Company refinanced the debt structure in December 2025, extending the maturity profile of bonds and revolving credit facilities (RCF), and will be required to comply with the continuing obligations applicable to issuers with bonds admitted to trading on Euronext ABM from listing, which is expected to be completed during Q2 2026.

The Company has no specific anti-takeover or protective measures in place. Any introduction of such measures would require shareholder approval and would aim to safeguard the company’s long-term value creation.

In 2025, there were no transactions involving conflicting interests of members of the Board of Directors that were material to the Group. Any potential conflicts are managed under the Group’s Code of Conduct and governance procedures.

In 2025, other than the financing and related-party arrangements disclosed in the financial statements, there have been no additional material transactions between the Company and its shareholders.



## Values and Code of Conduct

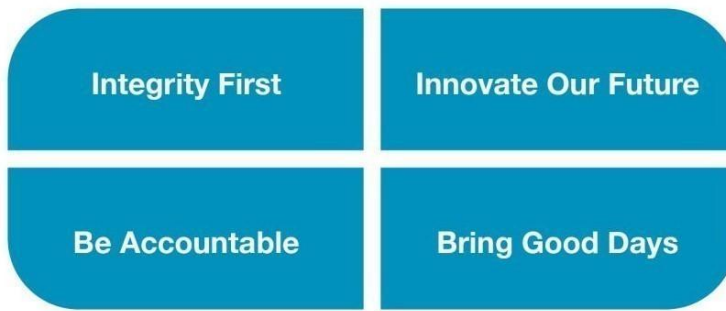
The Group contributes to sustainable social development through responsible business practices. The Group promotes a culture of integrity, inclusion and accountability. The Board periodically assessed whether this culture supports the Group’s strategic objectives and adjusts when necessary.

### 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 sustainable, 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 ethical guidelines and other governing documents of the Group have been drafted following core corporate values as stated below:

The Group has established *HMH Code of Conduct*, which applies to all employees and requires business partners to adhere to the same principles. The Code of Conduct is published externally on our website for accessibility and is also made available to all employees. All employees are required to be familiar with, and comply with, the contents of the Code of Conduct.

The Group operates in an international environment, involving a diversity of countries and cultures and international transactions 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

As of December 31, 2025, the Board of Directors (BoD) of the Company comprised of:

Name	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 (replaced as per 12.01.2026)
Georgia M. Magno	Board Member

Kristian M. Røkke, was replaced by Svein Oskar Stoknes as board member in HMH Holding B.V. on January 12, 2026.

Upon successful completion of the IPO of HMH Holding Inc. on April 2, 2026, the current Board of Directors resigned from the Board of HMH Holding B.V. and were nominated as the Board of Directors for HMH Holding Inc.

On April 2, 2026, Dwight W. Rettig was nominated as the sole director of HMH Holding B.V.

As of December 31, 2025, the Executive Management Team of the Group comprised of:

Name	Executive Management Team
Eirik Bergsvik	Chief Executing Officer
Thomas W. McGee	Chief Finance Officer
Dwight W. Rettig	Chief Administration Officer and General Counsel
Roy A. Dyrseth	Chief Commercial Officer
Eugene C. Chauviere III	Chief Operations Officer
Pål Skogerbø	Chief Technology Officer

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, and 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

Upon successful completion of the IPO of HMH Holding Inc. on April 2, 2026, the current Board of Directors resigned from the Board of HMH Holding B.V. and were nominated as the Board of Directors for HMH Holding Inc.

On April 2, 2026, Dwight W. Rettig was nominated as the sole director of HMH Holding B.V.



Dwight W. Rettig

Board Member

Mr. Rettig has served as a sole member of HMH Holding B.V.'s board of directors since April 2026.

Mr. Rettig has served as Chief Administration Officer, General Counsel and Corporate Secretary of HMH Inc. since its formation in April 2024 and as Chief Administration Officer and General Counsel of HMH B.V. 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 us by Akastor in the formation of HMH Holding B.V., from February 2019 to October 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.



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: PHLI), 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.



Svein Oskar Stoknes

Board Member

Mr. Stoknes has served as a member of HMH Holding B.V.'s board of directors since January 2026. Mr. Stoknes has served as Chief Financial Officer of Aker ASA since 2019. Prior to that, he held numerous key positions at Aker Solutions ASA from 2007 to 2019, including Chief Financial Officer from 2014 to 2019. Mr. Stoknes has also held a range of senior positions within finance and advisory for organizations like Tandberg ASA, Citigroup Inc. (NYSE: C), Norwegian Trade Council and ABB Ltd. Mr. Stoknes serves on various boards of directors, including Akastor ASA (OSE: AKAST), Aker Capital AS, ICP Asset Management AS, Aker Horizons ASA (OSE: AKH) and several other private companies where Aker is the largest shareholder. He has a Master's degree in Business and Economics from the Norwegian School of Management and a Master of Business Administration from Columbia Business School in New York.



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 (CLO) 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

Prior to appointment of Dwight W. Rettig on April 2, 2026, other than Mr. Rabun, the prior Board of Directors received no remuneration for being directors in 2025. 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. Because October 21, 2025, was the triggering event, the additional retainer became payable on that date and was paid to Mr. Rabun in cash on November 14, 2025. The other members of the Board of Directors have no agreement that entitles them to any extraordinary remuneration from the Group.

### Policy on remuneration to the members of the executive management team

All the members of the executive management team were employees of the Group with terms and conditions of employment consistent with industry standards.

Compensation to the executive management team has fixed elements which include a base salary which, pursuant to the Group's benchmarking, is competitive. The executive management has variable remuneration based upon the performance of the Group. All variable compensation is subject to the Group performance.

The Group has Phantom equity award plans for management positions. The Group maintains phantom equity award plans for management positions. Depending on the applicable program, awards may vest either upon the occurrence of a qualifying liquidity event or over a three-year calendar vesting period.<sup>17</sup>

### Directors' and executive management's shareholding

Neither Directors nor the members of the executive management team have shares in the Group as of December 31, 2025.

### External auditor

For the 2025 financial year, KPMG Accountants N.V. was the Group's independent external auditor.

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<sup>17</sup> Note 2.5 and 7.4 in the Consolidated Financial Statements for further details



## Subsequent events

The Group evaluated subsequent events through April 9, 2026, 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

On January 12, 2026, Svein Oskar Stoknes joined the Board of Directors as board member.

Upon successful completion of the IPO of HMH Holding Inc. on April 2, 2026, the current Board of Directors resigned from the Board of HMH Holding B.V. and were nominated as the Board of Directors for HMH Holding Inc.

On April 2, 2026, Dwight W. Rettig was nominated as the sole director of HMH Holding B.V.

### Initial Public Offering

HMH Holding Inc. was incorporated in the State of Delaware on April 29, 2024, as a holding entity with an intent to complete its Initial Public Offering (IPO) and other related transactions in order to carry on our business. On April 2, 2026, HMH Holding Inc. completed its IPO and received net proceeds of approximately USD 197.8 million in exchange for 10.5 million shares of its Class A common stock. The underwriter has the option to purchase up to additional 1.6 million shares of Class A common stock from us at the public offering price after the underwriting discounts and commission within 30 days from the IPO date.

Subsequent to the IPO, HMH Holding Inc.'s sole material asset is its controlling equity interest in HMH Holding B.V. As our sole managing member and controlling shareholder HMH Holdings Inc. conducts and controls all of our business and affairs through us and our subsidiaries.

### Corporate Reorganization

HMH Holding Inc. used USD 39.5 million of the net proceeds from the IPO as the cash consideration to purchase an aggregate 2,100,000 of our Class A shares and 2,100,000 voting Class B shares from Baker Hughes Company and its wholly owned subsidiaries (Baker Hughes) and Akastor ASA and its wholly owned subsidiaries (Akastor).

In April, 2026, HMH Holding Inc. contributed all of the remaining net proceeds from this offering to us in exchange for a number of our voting Class A shares and voting Class B shares such that the number of our voting Class A shares and HMH Holding B.V. voting Class B shares, respectively, held by HMH Holding Inc.,



taking into account our voting Class A shares and HMH Holding B.V. voting Class B shares acquired by HMH Holding Inc. from the Principal Stockholders, equals the number of shares of Class A common stock sold by HMH Holding Inc. in the offering.

After giving effect to these transactions, Baker Hughes and Akastor each owned 38% interest in HMH Holding Inc. by each owning 16.3 million Class B voting shares and 32.6 million non-voting class B shares. Public owned 24% of interest in HMH Holding Inc. through their ownership in all of HMH Holding Inc. Class A common shares.

We used the net proceeds received from these transactions to repay all of the outstanding principal Shareholder Loans and related accrued and unpaid interest and remaining proceeds were used to fund our working capital.

Amsterdam, April 9, 2026  
Director of HMH Holding B.V.

Dwight W. Rettig  
(Board member)



**Consolidated Financial Statements  
for the year 2025**

**HMH Holding B.V.**

## Consolidated income statement

For the year ended December 31, 2025

<i>Amounts in USD thousands</i>	<i>Note</i>	<b>2025</b>	<b>2024</b>
Revenue from contracts with customers	2.1	821 701	842 724
Other income	2.1	-	544
<b>Revenue and other income</b>	2.1	<b>821 701</b>	<b>843 268</b>
Materials, goods and services		(329 466)	(352 357)
Salaries, wages and social security costs	2.5	(257 750)	(239 820)
Other operating expenses	2.6	(74 408)	(88 926)
Depreciation and amortization	3.1-3.3	(51 794)	(47 629)
Impairment	3.2	(2 756)	-
<b>Operating expenses</b>		<b>(716 175)</b>	<b>(728 731)</b>
<b>Operating profit / loss(-)</b>		<b>105 526</b>	<b>114 537</b>
Finance income	4.4	34 654	19 019
Finance expenses	4.4	(72 959)	(63 505)
<b>Net finance expenses</b>		<b>(38 305)</b>	<b>(44 486)</b>
<b>Profit / loss(-) before tax</b>		<b>67 221</b>	<b>70 051</b>
Income tax expense	5.1	(26 124)	(24 532)
<b>Profit / loss(-) for the period</b>		<b>41 097</b>	<b>45 519</b>
<b>Profit attributable to:</b>			
Owners to the Company		40 428	44 780
Non-controlling interests		669	739

The Notes to the Consolidated Financial Statements on page 59 to 102 form an integral part of these consolidated financial statements.

## Consolidated statement of comprehensive income

For the year ended December 31, 2025

<i>Amounts in USD thousands</i>	<i>Note</i>	<b>2025</b>	<b>2024</b>
<b>Profit / loss(-) for the period</b>		<b>41 097</b>	<b>45 519</b>
<b>Other comprehensive income</b>			
Cash flow hedges, gross amount		3 481	(4 314)
Cash flow hedges, related tax		(766)	966
Total change in hedging reserve, net of tax	4.2	<b>2 715</b>	<b>(3 348)</b>
Currency translation differences - foreign operations		20 048	(21 591)
<b>Total items that may be reclassified subsequently to profit or loss, net of tax</b>		<b>22 763</b>	<b>(24 939)</b>
Remeasurement gain / loss(-) net defined benefit liability	2.5	671	567
Related tax to remeasurement gain / loss(-) net defined benefit liability		(148)	(113)
<b>Total items that will not be reclassified to profit or loss, net of tax</b>		<b>523</b>	<b>453</b>
<b>Total other comprehensive income / loss(-) for the period, net of tax</b>		<b>23 286</b>	<b>(24 486)</b>
<b>Total comprehensive income / loss(-)</b>		<b>64 383</b>	<b>21 033</b>
<b>Total comprehensive income / loss(-) attributable to:</b>			
Owners to the Company		63 714	20 295
Non-controlling interests		669	739

The Notes to the Consolidated Financial Statements on page 59 to 102 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>Note</i>	<b>2025</b>	<b>2024</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3.1	200 818	198 684
Other intangible assets	3.3	122 596	136 324
Right-of-use assets	3.2	46 149	37 087
Goodwill	3.3	307 014	300 939
Other non-current assets	7.1	34 308	31 854
Deferred tax assets	5.1	15 885	19 139
<b>Total non-current assets</b>		<b>726 770</b>	<b>724 026</b>
<b>Current assets</b>			
Inventories	2.3	253 759	279 957
Trade receivables and other current assets	2.4	175 748	181 712
Derivative financial instruments	4.2	1 402	1 713
Current financial assets	4.2	3 653	3 679
Contract assets	2.1	98 055	143 360
Prepaid income tax		-	682
Cash and cash equivalents	4.3	96 585	48 912
<b>Total current assets</b>		<b>629 202</b>	<b>660 015</b>
<b>TOTAL ASSETS</b>		<b>1 355 972</b>	<b>1 384 041</b>

As at December 31

<i>Amounts in USD thousands</i>	<i>Notes</i>	<b>2025</b>	<b>2024</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	4.6	0	0
Share premium	4.6	601 539	601 539
Reserves	4.6	32 205	5 137
Retained earnings	4.6	64 376	23 948
<b>Equity attributable to owners of the Group</b>		<b>698 120</b>	<b>630 624</b>
Non-controlling interests		1 811	1 170
<b>Total equity</b>		<b>699 931</b>	<b>631 794</b>
<b>Non-current liabilities</b>			
Non-current borrowings	4.7	339 369	328 747
Non-current lease liabilities	3.2	40 307	30 684
Employee benefit obligations	2.5	18 594	16 828
Deferred tax liabilities	5.1	17 404	19 128
Non-current provisions	7.2	1 227	822
Other non-current liabilities	7.1	16 321	14 212
<b>Total non-current liabilities</b>		<b>433 221</b>	<b>410 422</b>
<b>Current liabilities</b>			
Current borrowings	4.7	715	14 428
Current lease liabilities	3.2	10 647	8 688
Current tax liabilities	5.1	14 477	6 040
Current provisions	7.2	17 288	16 109
Trade payables and other current liabilities	2.7	143 889	236 322
Contract liabilities	2.1	35 250	55 627
Derivative financial instruments	4.2	556	4 612
<b>Total current liabilities</b>		<b>222 822</b>	<b>341 826</b>
<b>Total liabilities</b>		<b>656 043</b>	<b>752 247</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1 355 972</b>	<b>1 384 041</b>

The Notes to the Consolidated Financial Statements on page 59 to 102 form an integral part of these consolidated financial statements.

## Consolidated statement of cash flows

For the year ended December 31, 2025

<i>Amounts in USD thousands</i>	<i>Note</i>	<b>2025</b>	<b>2024</b>
<i>Cash flow from operating activities</i>			
Profit / loss(-) before tax		67 221	70 051
<i>Adjustments for:</i>			
Net finance income and expenses	4.4	38 305	44 486
Share-based payment expense	4.6	3 781	5 557
Adjustment for realized FX included in net finance result		8 075	(6 786)
Depreciation and amortization	3.1-3.3	51 794	47 629
Impairment	3.2	2 756	-
Provision for bad debt expense		11 136	1 965
<b>Sum of adjustments</b>		<b>115 847</b>	<b>92 851</b>
<i>Changes in working capital:</i>			
Decrease/Increase(-) in trade receivables and other current assets		12 667	(3 479)
Decrease/Increase(-) in inventories		40 322	(35 510)
Increase/Decrease(-) in trade payables and other liabilities		(105 198)	(11 431)
Decrease/Increase(-) in contract assets		30 148	292
Increase/Decrease(-) in contract liabilities		(23 444)	(19 898)
Decrease/Increase(-) in indemnification assets		(1 536)	(1 621)
Decrease/Increase (-) in non-current assets		(961)	(5 424)
Decrease/Increase (-) in current financial assets		70	1 500
Increase/Decrease(-) in provisions and employee benefit		2 469	(3 838)
Other changes		2 473	(584)
<b>Sum of changes in working capital</b>		<b>(42 991)</b>	<b>(79 993)</b>
Interest paid		(28 024)	(21 127)
Interest paid for leases	4.4	(3 199)	(2 158)
Interest received	4.4	5 662	2 788
Income taxes paid		(18 334)	(17 218)
<b>Net cash from operating activities</b>		<b>96 183</b>	<b>45 195</b>
<i>Cash flow from investing activities</i>			
Purchase of property, plant and equipment		(9 617)	(16 096)
Payments for capitalized development expenses		(7 364)	(2 436)
Proceeds from sale of property, plant and equipment		338	213
Acquisition of subsidiaries, net of cash acquired	6.1	(4 458)	(19 624)
<b>Net cash flow used in investing activities</b>		<b>(21 101)</b>	<b>(37 943)</b>
<i>Cash flow from financing activities</i>			
Proceeds from sale to non-controlling interest	4.6	-	2 291
Proceeds from borrowings	4.7	325 702	90 000
Payment of borrowings	4.7	(346 584)	(97 984)
Payment of borrowing cost	4.7	(3 378)	(1 627)
Payment of lease liabilities	3.2	(7 872)	(10 320)
<b>Net cash flow used in financing activities</b>		<b>(32 133)</b>	<b>(17 641)</b>
Effect of exchange rate changes on cash and cash equivalents		4 723	(3 222)
<b>Net increase / decrease (-) in cash and cash equivalents</b>		<b>47 673</b>	<b>(13 612)</b>
Cash and cash equivalents at the beginning of the period		48 912	62 524
<b>Cash and cash equivalents at the end of the period</b>	4.3	<b>96 585</b>	<b>48 912</b>

The Notes to the Consolidated Financial Statements on page 59 to 102 form an integral part of these consolidated financial statements.

## Consolidated statement of changes in equity

For the year ended December 31, 2025

		Attributable to owners of the Group									
<i>Amounts in USD thousands</i>	<i>Note</i>	Share capital <sup>1)</sup>	Share premium	Hedging reserve	Pension remeasurement reserve	Other reserve	Currency translation reserve	Retained earnings	Total	Non-controlling interest	Total equity
<b>Balance as at January 1, 2025</b>		0	601 539	(2 250)	2 489	24 415	(19 516)	23 948	630 624	1 170	631 794
Profit / loss(-) for the period of 2025		-	-	-	-	-	-	40 428	40 428	669	41 097
Other comprehensive income		-	-	2 715	523	-	20 048	-	23 287	(28)	23 259
<b>Total comprehensive income</b>		-	-	2 715	523	-	20 048	40 428	63 715	641	64 356
Share-based payments	2.5, 4.6	-	-	-	-	3 781	-	-	3 781	-	3 781
<b>Balance at December 31, 2025</b>		0	601 539	465	3 012	28 196	532	64 376	698 120	1 811	699 931

<sup>1)</sup> Share capital is USD 0.003 thousand at December 31, 2025

For the year ended December 31, 2024

		Attributable to owners of the Group									
<i>Amounts in USD thousands</i>	<i>Note</i>	Share capital <sup>1)</sup>	Share premium	Hedging reserve	Pension remeasurement reserve	Other reserve	Currency translation reserve	Retained earnings	Total	Non-controlling interest	Total equity
<b>Balance at January 1, 2024</b>		0	601 539	1 098	2 036	9 967	2 075	(20 832)	595 881	-	595 881
Profit / loss(-) for the period of 2024		-	-	-	-	-	-	44 780	44 780	739	45 519
Other comprehensive income		-	-	(3 348)	453	-	(21 591)	-	(24 486)	-	(24 486)
<b>Total comprehensive income</b>		0	-	(3 348)	453	-	(21 591)	44 780	20 295	739	21 033
Share-based payments	2.5, 4.6	-	-	-	-	5 557	-	-	5 557	-	5 557
Sale of ownership interest in Hydril Arabia	4.6	-	-	-	-	8 891	-	-	8 891	431	9 322
<b>Balance at December 31, 2024</b>		0	601 539	(2 250)	2 489	24 415	(19 516)	23 948	630 624	1 170	631 794

<sup>1)</sup> Share capital is USD 0.003 thousand at December 31, 2024

The Notes to the Consolidated Financial Statements on page 59 to 102 form an integral part of these consolidated financial statements.

# Notes to the consolidated financial statements

## Section 1 - Background

### 1.1 General information

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#### Corporate information

HMH Holding B.V. (the "Company") 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. These consolidated financial statements comprise the Company and its subsidiaries (together referred to as the "Group").

The Group was incorporated on April 28, 2021 and operationally established with effect from October 1, 2021, through the 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.

On or around December 17, 2025, the Company issued USD 200 million aggregate principal amount of its senior secured bonds (ISIN code NO0013700039), which mature on December 17, 2028. In December 2025, the outstanding USD 200 million aggregate principal amount of our senior secured bond due 2026 was refinanced using the proceeds of the senior secured bond due 2028 at a price equal to 103.292% of nominal value (plus accrued and unpaid interest to the date of redemption). In connection with the refinancing, the senior secured bonds due 2026 was also delisted from the Oslo Børs. The Company intends to list the senior secured bonds due 2028 on the Euronext ABM, a non-regulated market operated by Euronext Oslo Børs, in Q2 2026. HMH is therefore not considered a public interest entity (PIE) as per December 31, 2025, and the date of these financial statements. See note 4.7 - Borrowings for further details.

The Group 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 Group's vision is centered on an unparalleled commitment to quality and yielding economic advantages for customers and stakeholders. The Group has a global span covering five continents with offices in 15 countries.

#### Basis of preparation

##### Statement of compliance

These consolidated financial statements form 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 (BoD) on April 9, 2026.

##### 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 4.5 - Capital management.

Certain amounts in prior year periods have been reclassified to conform with current period presentation.

##### 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 and the Group's presentation currency. All financial information presented in USD has been rounded to the nearest thousand (USD thousand), except when otherwise stated. Each group entity determines its own functional currency, and financial information of foreign operations is translated into USD in accordance with the accounting policy below. 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.

##### 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**

In 2025 new standards and amendments to existing standards have become effective. This is related to the following standards:

- Lack of Exchangeability (Amendments to IAS 21)

The adoption of these items did not have a significant impact on the Group's consolidated financial statements.

#### **Standards issued but not yet effective**

The Group has not early adopted the following new and revised IFRS standards that have been issued but are not yet effective:

- *Annual Improvements to IFRS Accounting Standards – Volume 11*. The amendments are effective for annual periods beginning on or after January 1, 2026.
- *Classification and Measurements of Financial Instruments, and Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7)*. The amendments are effective for annual periods beginning on or after January 1, 2026.
- *Presentation and Disclosure in Financial Statements (IFRS 18)*. The amendments are effective for annual periods beginning on or after January 1, 2027.
- *Subsidiaries without Public Accountability: Disclosure (IFRS 19)*. The amendments are effective for annual periods beginning on or after January 1, 2027

Except for IFRS 18, these amendments are not expected to have a significant impact on the Group's consolidated financial statements. The Group is currently assessing the potential impact of IFRS 18 on our financial statements, which is expected to mainly affect the presentation and structure of the primary financial statements and related disclosures.

## **1.2 Material accounting policies**

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#### **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, 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.

HMH concluded that the formation of the Group was considered to be a business combination under common control on the 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.

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.

##### *Non-controlling interests*

NCI (non-controlling interests) are measured initially at their proportionate share of the acquiree's identifiable net assets at the date of acquisition. Changes in the Group's interest in a subsidiary that does not result in a loss of control is accounted for as equity transactions.

##### *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.

## **Foreign currency**

### *Foreign currency transactions*

Transactions in foreign currencies are translated into the respective functional currencies of Group companies at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognized in profit or loss and presented within finance costs.

### *Foreign operations*

The consolidated financial statements are presented in U.S. dollars ("USD"). Assets and liabilities of non-U.S. operations with a functional currency other than USD have been translated into USD using the Group's period end exchange rates, and revenue, expenses and cash flows have been translated at average rates for the respective periods.

Foreign currency differences are recognized in OCI and accumulated in the translation reserve, except to the extent that the translation difference is allocated to NCI.

### *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 the 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, under effective interest method, 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, 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 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 Group evaluates the expected credit losses of accounts receivable, considering historical credit losses, current customer-specific information and other relevant factors when determining the allowance. The Group monitors customer payment history and current creditworthiness to determine that collectability of the related financial assets is reasonably assured. The Group also considers the overall business climate in which customers operate. For accounts receivable, a loss allowance matrix is utilized to measure lifetime expected credit losses. The matrix contemplates historical credit losses by age of receivables, adjusted for any forward-looking information and management expectations. 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. Restricted cash may include legally restricted deposits held as compensating balances against short-term borrowing arrangements, contracts entered into with others or company statements of intention with regard to particular deposits. The Group held an immaterial balance of restricted cash as of December 31, 2025 and December 31, 2024.

#### *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.

#### *Other equity*

Other Equity refers to equity items that do not fall under the usual categories such as share capital, share premium, retained earnings, or reserves. This category can include various types of equity instruments and transactions that have specific accounting treatments. Refer to note 4.6 - Capital and reserves for further details.

### **Derivative financial instruments**

The Group uses derivative financial instruments, primarily forward currency exchange contracts, to mitigate the effects of variability of future earnings and cash flows caused by the movements in foreign currency exchange rates. Certain derivatives are designated and qualify as cash flow hedges of highly probable forecast transactions. Other derivatives are entered into for risk management purposes but are not designated in hedge relationships ("non-designated hedges"). 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. The maximum term of the forward currency exchange contracts is under 24 months as of December 31, 2025 and 2024.

#### *Designated hedges*

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 doesn'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 are included directly in the initial cost of the non-financial asset when recognized.

#### *Non-designated hedges*

The Group also enters into derivative financial instruments that are not designated as hedging instruments. These instruments are used primarily to manage foreign exchange exposures on recognized monetary assets and liabilities denominated in currencies other than the functional currency. Changes in the fair value of these non-designated derivatives are recognized immediately in earnings within foreign currency gain, net. Similar to designated hedges, these instruments are strictly used for risk management purposes and not for trading or speculation.

#### **Finance income and finance 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 are 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 and Note 2.1 - Revenue.

#### **Operating segments**

The Group identifies its reportable segments and discloses segment information under IFRS 8 *Operating Segments*.

The Group's Chief Executive Officer (CEO), supported by the Executive Management Team, has been identified as the Chief Operating Decision Maker (CODM) responsible for allocating resources and assessing segment performance.

Operating segments are defined as components of an entity for which separate financial information is available and evaluated on a regular basis by the CODM.

As of December 31, 2025 and December 31, 2024, the Group had two operating segments: ESS (Equipment and System Solutions) and PCS (Pressure Control Systems). The Group has identified its reportable segments based on the nature of the products and services, markets served and pricing and go-to-market strategies.

In addition to its reportable segments, the Group has corporate operations (Headquarters) which include general corporate expenses. Headquarters includes other items necessary to reconcile the reportable segments to the Group's total amounts.

Segment performance is measured by operating profit before depreciation, amortization and impairment (EBITDA). Segment profit, together with key financial information as described below, gives the Executive Management Team 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 CODM uses segment operating income in the budget and forecasting process and to monitor budget versus actual results, which are used in assessing the performance of the segments and to allocate resources to the segments. The Group's operating segment information is disclosed in note 2.2 – Operating segments.

#### **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.

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 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 affect 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 than 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.

#### *Legal disputes and contingent liabilities*

Given the scope of the Group's worldwide operations, its subsidiaries are inevitably involved in legal disputes in the course of their business activities. In addition, the Group from time to time engages in mergers, acquisitions and other transactions that could expose the Group to financial and other non-operational risks, such as indemnity claims and price adjustment mechanisms resulting in recognition of deferred settlement obligations. Provisions have been made to cover the expected outcome of the legal claims and disputes to the extent negative outcomes are likely and reliable estimates can be made. However, the final outcomes of these cases are subject to uncertainties, and resulting liabilities may exceed provisions recognized. The Group follows the development of these disputes on case-by-case basis and makes assessments based on all available evidence as at the reporting date.

#### *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 presents the right-of-use assets as a separate line in the balance sheet, and depreciation of right-of-use assets is also presented separately. 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*

The Group is presenting the lease liabilities as current and non-current lease liabilities, interest on lease liabilities is recognized in finance cost and lease payments are classified as financing cash outflows on the statement of cash flow.

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 borrowing rate (IBR). 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 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 the extension option, considering all relevant factors that create economic incentive to exercise the extension option.

As a lessor

The Group's lessor activities are limited to short-term equipment rentals accounted for as operating leases, with income recognized on a straight-line basis over the lease term.

#### **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 an 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*

Intangible assets acquired separately are measured at cost less accumulated amortization and impairment losses. Intangible assets acquired in a business combination are recognized at fair value at the acquisition date. The Group's main classes of intangible assets comprise of customer relations, patents and rights and customer relations.

#### *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**

#### *Short-term employee benefits*

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

#### *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 (OCI). 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 - Significant accounting estimates and judgements, for more information.

### **1.3 Significant accounting estimates and judgements**

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#### **Estimates and judgements**

Estimates and judgements 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 – Revenue, 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 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**

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. A provision is made for expected warranty expenditures. The warranty period is normally 12-30 months depending on the specific customer contract and terms. 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 2025. 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 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.

### **Impairment of Goodwill**

The Group performs impairment testing of goodwill annually or more frequently if any impairment indicators are identified. When applicable, the Group carries forward and uses the most recent detailed calculation of a cash-generating unit's recoverable amount made in a preceding period, providing all of the following criteria has been met: a) the assets and liabilities making up the unit have not changed significantly since the most recent recoverable amount calculation, b) the most recent recoverable amount calculation resulted in an amount that exceeded the carrying amount of the unit by a substantial margin; and c) based on an analysis of events that have occurred and circumstances that have changed since the most recent recoverable amount calculation, the likelihood that a current recoverable amount determination would be less than the current carrying amount of the unit is remote. The recoverable amounts of cash-generating units to which goodwill is allocated have been determined based on value in use. These calculations require management to estimate future cash flows expected to arise from these cash-generating units and provide 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. No impairment was recorded during the years ended December 31, 2025 or 2024.

### **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 are 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 requires 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 which techniques

that have 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 a significant estimate has been exercised.

Several of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities, including:

- Derivatives (note 4.2)
- 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

#### Disaggregation of revenue

Revenue is disaggregated in the following table by major contracts 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, 2025

Amounts in USD thousands	ESS	PCS	Total
<b>Major contract/revenue types</b>			
Project and other manufacturing contracts revenue	61 130	31 306	92 436
Sale of products	64 530	56 971	121 500
Service revenue	195 741	187 644	383 386
Spare parts revenue	117 124	107 256	224 380
<b>Revenue from contracts with customers</b>	<b>438 525</b>	<b>383 177</b>	<b>821 701</b>
<b>Timing of revenue recognition</b>			
Transferred over time	300 400	218 950	519 350
Transferred at point in time	138 125	164 226	302 351
<b>Revenue from contracts with customers</b>	<b>438 525</b>	<b>383 177</b>	<b>821 701</b>

#### For the year ended December 31, 2024

Amounts in USD thousands	ESS	PCS	Total
<b>Major contracts/revenue types</b>			
Project and other manufacturing contracts revenue	33 552	36 910	70 462
Sale of products	108 066	50 064	158 130
Service revenue	190 166	175 941	366 107
Spare parts revenue	110 805	137 220	248 025
<b>Revenue from contracts with customers</b>	<b>442 589</b>	<b>400 135</b>	<b>842 724</b>
<b>Timing of revenue recognition</b>			
Transferred over time	300 464	212 251	512 715
Transferred at point in time	142 125	187 884	330 009
<b>Revenue from contracts with customers</b>	<b>442 589</b>	<b>400 135</b>	<b>842 724</b>

#### Amounts in USD thousands

	2025	2024
Trade receivables included in "Trade receivables and other current assets"	115 931	133 986
Contract assets	98 055	143 360
Contract liabilities	35 250	55 627

#### Transaction price allocated to the remaining performance obligations

As of December 31, 2025, the aggregate amount of the transaction price allocated to the unsatisfied or partially unsatisfied performance obligations was USD 329.3 million (2024: USD 464.8 million). As of December 31, 2025, the Group expected to recognize substantially all of the revenue from the total remaining performance obligations over the next 12 months. As of December 31, 2025, the impaired amount of contract assets was USD 12.3 million (2024: USD 0 million). Contract modifications could affect both the timing to complete as well as the amount to be received as the Group fulfils the related remaining performance obligations.

Revenue recognized during the year ended December 31, 2025 that was included in the contract liabilities balance at the beginning of the period was USD 50.7 million (2024: USD 71.3 million).

## 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 - Significant accounting estimates and judgements 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
Project and other manufacturing contracts	<p>Under project and other manufacturing contracts, specialized products are built to a customer's specifications and the assets have no alternative use to the Group. If a project or other manufacturing contract is terminated by the customer, the Group has an enforceable right to payment for the work completed to date. The contracts establish a legally enforceable milestone payment schedule as well as a legally enforceable right to receive payment for work completed.</p> <p>Each of the projects or other manufacturing contracts normally includes a single, combined output for the customer, such as an integrated drilling equipment package. A single performance obligation, satisfied over time, is identified in each contract.</p> <p>Normal payment terms for project and other manufacturing contracts are 30 to 45 days.</p>	<p>Revenue from project and other manufacturing contracts is recognized according to progress. The input method used to measure progress is determined by reference to the costs incurred to date relative to the total estimated contract cost. Because of the uniqueness of the project and the required engineering in the initial phases of construction contracts, the Group may defer recognition of revenue, in excess of costs, until the point that progress can be measured reliably, which is when a project is approximately 20% complete. Management exercises judgment in assessing progress toward completion and in estimating variable consideration and constraint thresholds.</p> <p>The Group considers milestone payments as variable consideration, with the full milestone payment representing the most likely outcome based on the Group's historical experience. In addition, liquidated damages are 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 are 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 the rendering of various aftermarket services for installed products to customers. This offering includes field service, maintenance, overhaul and repair.</p> <p>Field service, maintenance and overhaul and repair services are satisfied over time as the customers simultaneously receive and consume the benefits provided by these services.</p> <p>For service contracts with multiple performance obligations, the Group allocates the transaction price based on the stand-alone selling price of each performance obligation. The Group determines the stand-alone selling price based on observable prices or will use an estimation method if observable prices are not available.</p> <p>Normal payment terms for service revenue are 30 to 45 days.</p>	<p>Service revenue associated with field service, maintenance and overhaul and repair is recognized according to progress or the as-invoiced amounts, when the invoiced amounts directly correspond with the benefit of the services that are transferred to the customers. Progress is measured using the input method based on labor hours incurred.</p>
Spare parts revenue	<p>Revenue from spare parts, which involve physical transfer of goods, is satisfied at a point of time when control transfers to the customers, according to the contract terms.</p> <p>Normal payment terms for spare parts revenue are 30 to 45 days.</p>	<p>Revenue from spare parts is recognized when the customers obtain control of the goods, according to the contract terms, typically at physical shipment of goods.</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 according to the contract terms.</p> <p>The Group has assessed that performance obligations related to the sale of products are satisfied either at a point in time or over time, depending on the contractual terms and the nature of the product promised.</p> <p>For contracts with multiple performance obligations, the Group allocates the transaction price based on the stand-alone selling price of each performance obligation. The Group determines the stand-alone selling price based on observable prices or will use an estimation method if observable prices are not available.</p> <p>Normal payment terms for sale of products are 30 to 45 days.</p>	<p>Revenue from these performance obligations is recognized when the customers obtain control of the goods, according to the contract terms, typically at physical shipment of goods or according to progress determined by reference to the costs incurred to date relative to the total estimated contract cost.</p>

## 2.2 Operating segments

### Basis for segmentation

As at December 31, 2025, the Group has two operating segments, ESS and PCS. 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 topside drilling packages and services to both onshore and offshore oil and gas customers, which include: overhaul, equipment installation and commissioning, services account management, 24/7 technical support, logistics, engineering upgrades, spare parts supply, training and condition-based maintenance. The 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 re-certification 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). The PCS segment is derived from the acquisition of Subsea Drilling Systems (SDS).

In addition to its reportable segments, the Group has corporate operations (Headquarter) which include general corporate expenses. Headquarter includes certain corporate stewardship items discussed below necessary to reconcile the reportable segments to the Group's total amounts.

### Measurement of segment performance

The Group's Chief Executive Officer (CEO), supported by the Executive Management Team, has been identified as the Chief Operating Decision Maker (CODM) responsible for allocating resources and assessing segment performance.

Segment performance is measured by operating profit before depreciation, amortization and impairment (EBITDA). 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
<b>For the year ended December 31, 2025</b>						
<i>Income statement</i>						
External revenue and other income	438 525	383 176	821 701	-	-	821 701
Inter-segment revenue	15 313	11 667	26 980	(26 980)	-	-
<b>Total revenue and other income</b>	<b>453 838</b>	<b>394 843</b>	<b>848 682</b>	<b>(26 980)</b>	<b>-</b>	<b>821 701</b>
<b>Operating profit before interest, depreciation, amortization and impairment</b>	<b>72 003</b>	<b>97 300</b>	<b>169 304</b>	<b>-</b>	<b>(9 228)</b>	<b>160 076</b>
Depreciation and amortization						(51 794)
Impairment						(2 756)
<b>Operating profit / loss(-)</b>						<b>105 526</b>
Net finance income/expense						(38 305)
<b>Profit / loss(-) before tax</b>						<b>67 221</b>

<i>Amounts in USD thousands</i>	ESS	PCS	Total operating segments	Eliminations	Headquarter	Total
<b>For the year ended December 31, 2024</b>						
<i>Income statement</i>						
External revenue and other income	443 133	400 135	843 268	-	-	843 268
Inter-segment revenue	5 549	10 115	15 664	(15 664)	-	-
<b>Total revenue and other income</b>	<b>449 282</b>	<b>409 649</b>	<b>858 932</b>	<b>(15 664)</b>	<b>-</b>	<b>843 268</b>
<b>Operating profit before interest, depreciation, amortization and impairment</b>	<b>67 259</b>	<b>106 905</b>	<b>174 164</b>	<b>-</b>	<b>(11 998)</b>	<b>162 166</b>
Depreciation and amortization						(47 629)
<b>Operating profit / loss(-)</b>						<b>114 537</b>
Net finance income/expense						(44 486)
<b>Profit / loss(-) before tax</b>						<b>70 051</b>

## 2.2 Operating segments (Continued)

### Geographical information

Geographical revenue is presented on the basis of the geographic regions from which our revenues originated during the years ended December 31, 2025 and 2024, though much of our installed base may be deployed or operating in a different geographic region. Non-current assets are presented based on the geographical location of the asset.

Amounts in USD thousands			2025		2024	
	ESS	PCS	Revenue	ESS	PCS	Revenue
United States	46 603	254 850	301 453	41 113	263 156	304 269
Norway	203 024	-	203 024	206 691	-	206 691
Germany	100 285	-	100 285	99 453	-	99 453
United Kingdom	7 396	42 481	49 877	8 688	63 914	72 602
Singapore	7 360	20 857	28 217	12 792	32 773	45 565
Brazil	8 934	16 626	25 561	22 238	9 589	31 827
Azerbaijan	16 976	3 826	20 802	17 272	3 481	20 754
United Arab Emirates	25 876	1 708	27 584	19 904	-	19 904
Saudi Arabia	-	27 795	27 795	-	19 314	19 314
Australia	14 526	-	14 526	10 767	-	10 767
Canada	-	13 843	13 843	-	-	-
Turkey	6 381	-	6 381	-	-	-
Other countries	1 164	1 190	2 355	4 215	7 907	12 122
<b>Revenue</b>	<b>438 525</b>	<b>383 177</b>	<b>821 701</b>	<b>443 133</b>	<b>400 135</b>	<b>843 268</b>

There is no revenue from HMH Holding B.V in the geographical revenue presentation.

### Non-current assets excluding deferred tax assets and financial instruments

Amounts in USD thousands	2025	2024
<b>As at December 31, 2025</b>		
Headquarters (Netherlands) <sup>1)</sup>	269 804	382 809
United States	285 355	183 786
Norway	53 659	43 614
Brazil	28 723	25 211
Germany	19 254	19 281
Other countries	8 301	7 006
Mexico	3 918	4 439
United Arab Emirates	3 063	1 684
Saudi Arabia	4 500	3 831
<b>Consolidated assets</b>	<b>676 577</b>	<b>671 661</b>

<sup>1)</sup> Headquarters (Netherlands) assets are mainly Goodwill accounted for in HMH Holding B.V. and intangible assets acquired through merger of PCS and ESS.

### Major customer

The Group's top five customers accounted for approximately 45.2 % and 42.0 % of our total consolidated revenues for the years ended December 31, 2025 and 2024, respectively. In 2025, one customer accounted for 20.8 % of our revenues for such year, compared to 18.2 % in 2024, which were included in both ESS and PCS revenue in respective years. 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 our business, financial condition, results of operations and cash flows.

## 2.3 Inventories

### As at December 31

<i>Amounts in USD thousands</i>	<b>2025</b>	<b>2024</b>
Stock of raw materials	18 550	26 354
Goods under production	29 397	45 585
Finished goods	205 812	208 018
<b>Total inventories</b>	<b>253 759</b>	<b>279 957</b>
Recognized as expense in the period	(114 937)	(98 766)
Write-down of inventories in the period	(4 064)	(5 747)
Reversal of write-down in the period	2 315	399

## 2.4 Trade receivables and other current assets

### As at December 31

<i>Amounts in USD thousands</i>	<b>2025</b>	<b>2024</b>
Trade receivables <sup>1)</sup>	115 931	133 986
Unbilled trade receivables	16 863	22 653
Provision for expected credit loss	(2 889)	(5 559)
<b>Total trade receivables, net of provision</b>	<b>129 906</b>	<b>151 079</b>
Other receivables	308	1 658
Advances to suppliers	2 989	4 098
Prepaid expenses	28 482	17 176
Public duty and tax refund	14 064	7 702
<b>Total receivables and other current assets</b>	<b>175 749</b>	<b>181 713</b>

The carrying amount of trade and other receivables approximate fair value.

<sup>1)</sup> See note 7.3 Related party transactions for details of trade receivables from related parties.

### Aging of trade receivables

<i>Amounts in USD thousands</i>	<b>2025</b>	<b>2024</b>
Not overdue	75 074	97 744
Past due 0-30 days	22 480	19 611
Past due 31-90 days	7 625	5 767
Past due 91 days	10 752	10 864
<b>Total trade receivables</b>	<b>115 931</b>	<b>133 986</b>

A majority of the trade receivables past due is related to key customers. These outstanding receivables are monitored regularly and impairment analysis is performed on an individual basis for key customers. As at December 31, 2025, provision of impairment of USD 2.9 million was recorded on receivables (2024: USD 5.6 million). See below for the movements in the provision for impairment of receivables.

<i>Amounts in USD thousands</i>	<b>2025</b>	<b>2024</b>
Balance as at January 1	5 559	6 747
Remeasurement of expected credit losses	(861)	(180)
Reversal of allowance	(1 874)	(799)
Currency translation differences	65	(209)
<b>Balance as at December 31</b>	<b>2 889</b>	<b>5 559</b>

## 2.5 Employee benefits expenses

<i>Amounts in USD thousands</i>	<b>2025</b>	<b>2024</b>
Salaries and wages including holiday allowance	215 439	195 821
Social security tax / national insurance contribution	21 874	18 914
Pension costs	7 397	6 258
Other employee costs <sup>1)</sup>	13 041	18 827
<b>Salaries, wages and social security costs</b>	<b>257 750</b>	<b>239 820</b>
<sup>1)</sup> 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>	<b>2025</b>	<b>2024</b>
Norway	562	609
Germany	220	212
United States	594	603
Brazil	195	223
Other countries	448	408
<b>Total</b>	<b>2 019</b>	<b>2 055</b>

### Share-based payment program (equity-settled)

On January 31, 2022 the Board of Directors (BoD) of HMH Holding B.V. established an award program to management and certain employees to entitle them to a share-based compensation when certain strategic goals are achieved (Phantom program).

At grant date (January 31, 2022) the Board of Directors (BoD) awarded USD 10 million to the participants of the program (Phantom program) based on an equity value of the Company of USD 600 million. The amount of the compensation is determined based on the increase/decrease of the equity value of the Group. The program expires at the end of the 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 at December 31, 2025 is USD 7.4 million (2024: USD 8.2 million).

At September 1, 2024, the BoD awarded USD 1.3 million to the participants of the program (Phantom Extension program) based on an equity value of the Company of USD 600 million, consistent with the original grants. The amount of the compensation is determined based on the increase/decrease of the equity value of the Group. The program expires at the end of the three-year period after grant date. The total carrying amount for this share-based payment scheme as at December 31, 2025 is USD 0.7 million (2024: USD 0.3 million).

At September 1, 2022, the BoD of HMH Holding B.V. established a share-based incentive program covering certain key personnel employees to entitle them to a share-based compensation 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 total carrying amount for this share-based payment scheme as at December 31, 2025 is USD 4.4 million (2024: USD 4.1 million).

At September 1, 2023, the BoD of HMH Holding B.V. established a share-based incentive program covering certain key personnel employees to entitle them to a share-based compensation when certain strategic goals are achieved (LTI 2023 program). At grant date (September 1, 2023) the BoD were 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 three-year period after grant date. The total carrying amount for this share-based payment scheme as at December 31, 2025 is USD 3.6 million (2024: USD 2.6 million).

At September 1, 2024, the BoD of HMH Holding B.V. established a share-based incentive program covering certain key personnel employees to entitle them to a share-based compensation when certain strategic goals are achieved (LTI 2024 program). At grant date (September 1, 2024) the BoD awarded USD 5 million to the participants of the program based on an equity value of the Company of USD 1 billion. The program expires at the end of the three-year period after grant date. The total carrying amount for this share-based payment scheme as at December 31, 2025 is USD 2.5 million (2024: USD 0.4 million).

At September 1, 2025, the BoD of HMH Holding B.V. established a share-based incentive program covering certain key personnel employees to entitle them to a share-based compensation when certain strategic goals are achieved (LTI 2025 program). At grant date (September 1, 2025) the BoD awarded USD 5 million to the participants of the program based on an equity value of the Company of USD 1 billion. The program expires at the end of the three-year period after grant date. The total carrying amount for this share-based payment scheme as at December 31, 2025 is USD 0.7 million (2024: USD 0 million).

As of 2025 management continues to conclude that the share-based payment programs are expected to be equity-settled. The same conclusion was reached in 2024.

The grant-date fair value for each program is determined by estimating the expected payout under the award terms, applying management's estimates of forfeiture rates to reflect expected participant turnover, and discounting the resulting expected amount back to the grant date over the applicable vesting period.

Total amount expensed in 2025 is USD 3.781 million (2024: USD 5.557 million). For management remuneration, see note 7.4 - Management remuneration.

### Pension plans

Management has evaluated the Group's pension arrangements in each relevant jurisdiction under IAS 19 and concluded that most plans are defined contribution plans, as the Group's obligation is generally limited to fixed contributions. The Group's material defined benefit obligations relate to legacy arrangements in Norway and Germany and are measured using actuarial techniques. Pension plans outside Norway and Germany are predominantly defined contribution plans.

HMH 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 - Other non-current assets and liabilities.

For pension plans in Norway and Germany there are no material changes in term of pension agreements in 2025 compared to 2024.

### 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 provides 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 2026 amount to USD 870 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 HMH 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 2026 amount to USD 156 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 (Avtalefestet pensjon) 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 1 235 employees in 2025 (2024: 1 184 employees).

<b>Pension cost</b>			
<i>Amounts in USD thousands</i>	<i>Note</i>	<b>2025</b>	<b>2024</b>
Defined benefit plans		168	464
Defined contribution plans including AFP		7 229	5 794
<b>Total pension cost</b>		<b>7 397</b>	<b>6 258</b>
<b>Net employee defined benefit obligations</b>			
<i>Amounts in USD thousands</i>		<b>2025</b>	<b>2024</b>
Defined benefit plans Norway		7 968	8 040
Defined benefit plans Germany		8 696	8 581
Defined benefit plans other countries		1 929	208
<b>Total employee benefit obligations</b>		<b>18 594</b>	<b>16 828</b>
<b>Movement in net defined benefit liability</b>			
<i>Amounts in USD thousands</i>		<b>2025</b>	<b>2024</b>
Liability as at January 1		16 828	19 153
<b>Included in profit / loss(-)</b>			
Service cost		168	464
Interest cost (income)		774	764
<b>Total</b>		<b>942</b>	<b>1 228</b>
<b>Included in OCI</b>			
Remeasurement (loss) gain arising from			
- financial assumptions		(143)	(26)
- experience adjustments		(1 632)	158
- currency adjustments		1 104	(699)
<b>Total</b>		<b>(671)</b>	<b>(567)</b>
<b>Other</b>			
Contributions paid into the plan		(1 312)	(1 501)
Foreign currency translation adjustment		2 806	(1 485)
<b>Total</b>		<b>1 494</b>	<b>(2 986)</b>
<b>Liability as at December 31</b>		<b>18 594</b>	<b>16 828</b>

## 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 at 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.

	2025		2024	
	Norway	Germany	Norway	Germany
Discount rate	3,90 %	3,73 %	3,90 %	3,06 %
Salary progression	4,00 %	2,60 %	4,00 %	2,60 %
Pension indexation	2,80 %	2,00 %	2,40 %	2,00 %
Mortality table	K2013 RT 2018 G		K2013	RT 2018 G

The discount rates and other assumptions for Norway in 2025 and 2024 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	2025		2024	
	Norway	Germany	Norway	Germany
Life expectancy of males after pension	23,0	21,0	22,8	20,9
Life expectancy of females after pension	26,3	24,4	26,1	24,3

As at December 31, 2025, the weighted-average duration of the defined benefit obligation was 8.80 years (2024: 9.76 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 at December 31, 2025 and December 31, 2024 by the amounts shown below.

Amounts in USD thousands

Change in actuarial assumptions	Change in defined benefit obligation	
	Increase	Decrease
<b>2025</b>		
Discount rate (1% decrease/increase movement)	1 183	1 401
Future salary growth (1% increase/decrease movement)	1 292	1 276
Future pension growth (1% increase/decrease movement)	1 391	1 282

Change in actuarial assumptions	Change in defined benefit obligation	
	Increase	Decrease
<b>2024</b>		
Discount rate (1% decrease/increase movement)	1 171	1 415
Future salary growth (1% increase/decrease movement)	1 290	1 277
Future pension growth (1% increase/decrease movement)	1 406	1 282

## 2.6 Other operating expenses

<i>Amounts in USD thousands</i>	2025	2024
External consultants inclusive audit fees	31 976	41 357
Other costs for premises and equipment	22 647	29 873
Insurance	8 412	7 239
Travel expenses	8 683	6 968
Other	2 690	3 489
<b>Total other operating expenses</b>	<b>74 408</b>	<b>88 926</b>

### 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 2024 and 2025.

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>	2025			2024		
	KPMG Accountant N.V.	Other KPMG network	Total	KPMG Accountant N.V.	Other KPMG network	Total
Audit	618	3 132	3 750	520	3 304	3 824
Other audit services	-	441	441	280	-	280
Tax advisory services	-	20	20	-	22	22
Other non-audit services	-	4	4	-	4	4
<b>Total</b>	<b>618</b>	<b>3 597</b>	<b>4 215</b>	<b>800</b>	<b>3 330</b>	<b>4 130</b>

The Group has also paid an audit fee of USD 195 thousand to other auditors in subsidiaries in 2025 (2024: USD 62 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 at December 31

<i>Amounts in USD thousands</i>	Note	2025	2024
Trade creditors <sup>1)</sup>		56 313	108 327
Accruals		75 834	117 314
<b>Trade payables</b>	4.2	<b>132 147</b>	<b>225 641</b>
Duties and tax		11 741	9 550
Deferred settlement obligations		-	1 131
<b>Total trade payables and other current liabilities</b>		<b>143 889</b>	<b>236 322</b>

The carrying amount of trade creditors and other current liabilities approximate fair value.

<sup>1)</sup> See note 7.3 - Related party transactions for further details.

## Section 3 - Asset base

### 3.1 Property, plant and equipment

<i>Amounts in USD thousands</i>	<i>Note</i>	<b>Buildings and land</b>	<b>Machinery and equipment</b>	<b>Assets under construction</b>	<b>Total</b>
<i>Historical cost</i>					
<b>Balance as at January 1, 2025</b>		<b>151 638</b>	<b>85 212</b>	<b>3 125</b>	<b>239 975</b>
Additions		230	3 606	8 289	12 125
Additions through business combinations	6.1	-	75	-	75
Reclassifications <sup>1)</sup>		(758)	774	(287)	(271)
Transfer from assets under construction		1 315	6 894	(8 209)	-
Disposals and scrapping		(92)	(2 876)	-	(2 968)
Currency translation differences		7 081	3 200	213	10 494
<b>Balance as at December 31, 2025</b>		<b>159 415</b>	<b>96 885</b>	<b>3 130</b>	<b>259 430</b>
<i>Accumulated depreciation</i>					
<b>Balance as at January 1, 2025</b>		<b>(21 716)</b>	<b>(19 576)</b>	<b>-</b>	<b>(41 292)</b>
Depreciation for the period		(5 286)	(12 830)	-	(18 116)
Reclassifications <sup>1)</sup>		761	(87)	51	725
Disposals and scrapping		92	2 537	-	2 629
Currency translation differences		(1 033)	(1 525)	-	(2 559)
<b>Balance as at December 31, 2025</b>		<b>(27 183)</b>	<b>(31 481)</b>	<b>51</b>	<b>(58 612)</b>
<b>Book value as at January 1, 2025</b>		<b>129 922</b>	<b>65 636</b>	<b>3 125</b>	<b>198 683</b>
<b>Book value as at December 31, 2025</b>		<b>132 232</b>	<b>65 404</b>	<b>3 182</b>	<b>200 818</b>

<sup>1)</sup> Reclassification from Assets under construction to Intangibles.

<i>Amounts in USD thousands</i>	<i>Note</i>	<b>Buildings and land</b>	<b>Machinery and equipment</b>	<b>Assets under construction</b>	<b>Total</b>
<i>Historical cost</i>					
<b>Balance as at January 1, 2024</b>		<b>166 325</b>	<b>83 672</b>	<b>5 695</b>	<b>255 692</b>
Additions		327	1 950	12 224	14 501
Additions through business combinations	6.1	-	439	-	439
Reclassifications <sup>1)</sup>		23	(5)	(1 113)	(1 095)
Transfer from assets under construction		2 181	10 930	(13 111)	-
Disposals and scrapping		-	(4 698)	-	(4 698)
Currency translation differences		(17 218)	(7 076)	(570)	(24 864)
<b>Balance as at December 31, 2024</b>		<b>151 638</b>	<b>85 212</b>	<b>3 125</b>	<b>239 975</b>
<i>Accumulated depreciation</i>					
<b>Balance as at January 1, 2024</b>		<b>-22 670</b>	<b>-18 188</b>	<b>-</b>	<b>-40 858</b>
Depreciation for the period		(5 686)	(12 922)	-	(18 608)
Reclassifications <sup>1)</sup>		-	1 702	-	1 702
Disposal and scrapping		-	4 485	-	4 485
Currency translation differences		6 640	5 347	-	11 987
<b>Balance as at December 31, 2024</b>		<b>(21 716)</b>	<b>(19 576)</b>	<b>-</b>	<b>(41 293)</b>
<b>Book value as at January 1, 2024</b>		<b>143 655</b>	<b>65 484</b>	<b>5 695</b>	<b>214 834</b>
<b>Book value as at December 31, 2024</b>		<b>129 921</b>	<b>65 636</b>	<b>3 125</b>	<b>198 682</b>

<sup>1)</sup> Reclassification from Assets under construction to Intangibles.

#### 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>	2025	2024
<b>Balance as at January 1</b>	<b>37 087</b>	<b>34 149</b>
Additions	5 978	4 706
Depreciation	(8 366)	(7 695)
Impairment	(2 756)	-
Remeasurement	10 265	8 439
Currency translation differences	3 942	(2 512)
<b>Balance as at December 31</b>	<b>46 149</b>	<b>37 087</b>

##### Lease liabilities

<i>Amounts in USD thousands</i>	2025	2024
<b>Balance as at January 1</b>	<b>39 372</b>	<b>37 339</b>
Additions	5 587	4 706
Remeasurement	10 133	8 439
Cash flows	(11 074)	(10 108)
Change in accrued interest	3 199	2 150
Currency translation differences	3 737	(3 154)
<b>Balance as at December 31</b>	<b>50 953</b>	<b>39 372</b>
<b>Current lease liabilities</b>	<b>10 647</b>	<b>8 688</b>
<b>Non-current lease liabilities</b>	<b>40 307</b>	<b>30 684</b>

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>	2025	2024
Depreciation expense of right-of-use assets	8 366	7 695
Interest expense on lease liabilities	3 199	2 158
Expenses related to short-term leases	56	246
<b>Total</b>	<b>11 620</b>	<b>10 100</b>

##### Total cash flow

<i>Amounts in USD thousands</i>	2025	2024
Lease payments	(11 071)	(10 074)
Short-term and low-value leases	(56)	(246)
<b>Total lease cash flow</b>	<b>(11 127)</b>	<b>(10 320)</b>

##### 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 at December 31, 2025, 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>	<b>Development costs<sup>2)</sup></b>	<b>Goodwill</b>	<b>Patents and rights</b>	<b>Customer Relations</b>	<b>Total</b>
<i>Historical cost</i>						
<b>Balance as at January 1, 2025</b>		<b>67 219</b>	<b>300 940</b>	<b>20 108</b>	<b>112 893</b>	<b>501 159</b>
Additions		6 807	-	86	-	6 892
Reclassifications and other changes <sup>1)</sup>		453	-	-	-	453
Acquisition through business combination	6.1	1 540	5 456	357	630	7 983
Disposal		(12)	-	-	-	(12)
Currency translation differences		5 538	619	631	-	6 788
<b>Balance as at December 31, 2025</b>		<b>81 545</b>	<b>307 016</b>	<b>21 181</b>	<b>113 523</b>	<b>523 264</b>
<i>Accumulated amortization</i>						
<b>Balance as at January 1, 2025</b>		<b>(15 134)</b>	<b>-</b>	<b>(11 627)</b>	<b>(37 135)</b>	<b>(63 896)</b>
Amortization for the period		(8 911)	-	(6 912)	(9 164)	(24 987)
Reclassification <sup>1)</sup>		(765)	-	-	-	(765)
Currency translation differences		(3 758)	-	(246)	-	(4 004)
<b>Balance as at December 31, 2025</b>		<b>(28 569)</b>	<b>-</b>	<b>(18 785)</b>	<b>(46 299)</b>	<b>(93 653)</b>
<b>Net book value as at January 1, 2025</b>		<b>52 085</b>	<b>300 940</b>	<b>8 481</b>	<b>75 758</b>	<b>437 263</b>
<b>Net book value as at December 31, 2025</b>		<b>52 976</b>	<b>307 014</b>	<b>2 396</b>	<b>67 224</b>	<b>429 610</b>
<b>Useful life</b>		<b>3-8</b>	<b>Indefinite</b>	<b>3-5</b>	<b>2-20</b>	

<sup>1)</sup> Reclassification from Property, plant and equipment to Intangible assets and other changes within Intangible assets.

<sup>2)</sup> The Group's ongoing R&D efforts are spread across multiple locations, including Norway, Germany and the United States. The focus of R&D activities involves optimizing existing products and exploring new opportunities which complement the Group's business model. These activities are primarily centered on the following areas:

- Development of a rotating control device (RCD) along with associated equipment to enable open water, riserless drilling and Manage Pressure Drilling systems.
- 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.
- Development of automation and digitalization solutions and digitally powered services to improve customer efficiency, reduce emissions and improve customer competitiveness.

<i>Amounts in USD thousands</i>		<b>Development costs</b>	<b>Goodwill</b>	<b>Patents and rights</b>	<b>Customer Relations</b>	<b>Total</b>
<i>Historical cost</i>						
<b>Balance as at January 1, 2024</b>		<b>67 129</b>	<b>287 848</b>	<b>20 550</b>	<b>107 893</b>	<b>483 420</b>
Additions		1 406	-	17	-	1 422
Reclassifications and other changes		1 888	-	2	-	1 890
Acquisition through business combination	6.1	6 000	14 125	-	5 000	25 125
Disposal		(846)	-	-	-	(846)
Currency translation differences		(8 358)	(1 033)	(462)	-	(9 852)
<b>Balance as at December 31, 2024</b>		<b>67 219</b>	<b>300 940</b>	<b>20 108</b>	<b>112 893</b>	<b>501 159</b>
<i>Accumulated amortization</i>						
<b>Balance as at January 1, 2024</b>		<b>(13 132)</b>	<b>-</b>	<b>(8 890)</b>	<b>(25 081)</b>	<b>(47 102)</b>
Amortization for the period		(6 343)	-	(2 927)	(12 054)	(21 326)
Reclassification		(1 123)	-	-	-	(1 123)
Disposal and scrapping		846	-	-	-	846
Currency translation differences		4 618	-	190	-	4 809
<b>Balance as at December 31, 2024</b>		<b>(15 134)</b>	<b>-</b>	<b>(11 627)</b>	<b>(37 135)</b>	<b>(63 897)</b>
<b>Net book value as at January 1, 2024</b>		<b>53 997</b>	<b>287 848</b>	<b>11 661</b>	<b>82 813</b>	<b>436 318</b>
<b>Net book value as at December 31, 2024</b>		<b>52 085</b>	<b>300 939</b>	<b>8 481</b>	<b>75 758</b>	<b>437 263</b>
<b>Useful life</b>		<b>3-8</b>	<b>Indefinite</b>	<b>3-5</b>	<b>2-20</b>	

#### Development costs

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, 2025 the carrying amount of goodwill is USD 307 014 thousand (2024: USD 300 939 thousand). See note 3.4 - Impairment testing of goodwill.

### 3.4 Impairment testing of goodwill

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 (CGUs) 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 Group's operating segments.

<i>Amounts in USD thousands</i>	<b>2025</b>	<b>2024</b>
ESS	187 788	183 585
PCS	119 226	117 354
<b>Total goodwill</b>	<b>307 014</b>	<b>300 939</b>

#### Impairment testing for cash-generating units (CGUs) containing goodwill

The Group conducted its annual impairment test for the goodwill by carrying forward the most recent detailed calculation of its recoverable amount from the preceding period. This approach was considered appropriate as the assets and liabilities of the CGUs have not changed significantly since last year's recoverable amount calculation, and the previous calculation indicated that the recoverable amount significantly exceeded the carrying amount of the CGU. Additionally, an analysis of events and changes in circumstances since the prior assessment indicated that the likelihood of the current recoverable amount being lower than the carrying amount is remote.

The recoverable amount was based on value-in-use at December 31, 2025, 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 represented 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 were based on budget and strategic forecast for the periods 2026 - 2030. 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 revenue for the year 2026 and assumes revenue will grow at an annual growth rate of 2% for the period from 2026 to 2030. This reflects a moderate, mid-cycle growth outlook.

**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** were estimated based on Weighted Average Cost of Capital (WACC) for the industry in which the CGUs operates. The risk-free interest rates used in the discount rates were based on the 10-year state treasury bond rate at the time of the impairment testing. Optimal debt leverage is estimated for each CGU. The discount rates were further adjusted to reflect any additional short to medium term market risk considering current industry conditions.

	<i>Discount rate after tax</i>	<i>Discount rate pre tax</i>
<b>Discount rate assumptions used in impairment testing</b>	<b>2025</b>	<b>2025</b>
ESS	9,91 %	10,45 %
PCS	9,91 %	10,45 %
<b>Other key assumptions for year 2026-2030</b>	<b>ESS</b>	<b>PCS</b>
Annual growth rate (for years 2026-2030)	2,0 %	2,0 %
Terminal growth rate	2,0 %	2,0 %
EBITDA margin (for year 2026-2030)	12,9 %	29,6 %

#### *Sensitivity to changes in assumptions*

Based on the assumptions applied in the value-in-use calculations, the recoverable amount of each CGU significantly exceeded its carrying amount as of December 31, 2025. The recoverable amount amounted to 214.5% of carrying amount for ESS and 191.4% for PCS. Considering the level of headroom identified, management concluded that no reasonably possible change in a key assumption would cause the carrying amount of either CGU to exceed its recoverable amount. Accordingly, the sensitivity disclosure otherwise required in such circumstances is not applicable.

## 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 evaluates and manages risks in accordance with approved policies, and uses financial instruments to hedge certain risk exposures.

#### 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 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, although exposures to other currencies were not material at the reporting date.

For the years ended December 31, 2025 and 2024, 63.3% and 63.9%, respectively, of the Groups revenues were denominated in foreign currencies.

The Group considers itself a USD based business, as its main income and significant operating assets are predominantly priced in USD, and the consolidated financial statements are presented in USD. As USD is the predominant currency, the Group's policy is to hedge transaction exposures in material non-USD currencies. Other currency exposures may be hedged on an ad-hoc basis following assessment and approval by Group Treasury. Where possible, the Group seeks to reduce foreign exchange risk matching cash inflows and outflows in the same currency ("natural hedging") thereby limiting net exposure. Where natural hedging is insufficient, the Group mitigates foreign exchange risk by entering into foreign exchange forward contracts and/or currency options.

During 2025, the Group changed its approach to foreign exchange risk management. In prior periods, certain subsidiaries entered into foreign exchange hedges locally to hedge highly probable forecasted sales and purchases and applied hedge accounting where the relevant IFRS criteria were met. From 2025, the Group's policy is to centrally hedge net non-USD exposures against USD at Parent Company level. As a result of this change, hedge accounting is generally no longer applied to new foreign exchange hedging instruments entered into under the central hedging approach and related gains and losses are recognized in profit or loss.

Certain Group subsidiaries continue to have legacy forward contracts entered into in earlier periods that had not yet matured at the reporting date. Hedge accounting continues to be applied to these contracts for as long as the qualifying hedging relationships remain in place and the hedge accounting requirements are met.

The table below presents the sensitivity of the Group's profit and equity to reasonably possible changes in the exchange rates of NOK, GBP and EUR at the reporting date. The analysis is based on a 10% increase and decrease in each currency.

The sensitivity analysis includes only monetary assets and liabilities denominated in foreign currencies that are outstanding at the end of the reporting period, as required by IFRS 7. It does not take into account future transactions or income and expenses denominated in foreign currencies. The effect is calculated by applying the hypothetical change in exchange rates to the net foreign currency exposure at the reporting date. The analysis assumes that all other variables remain constant. The impact on profit and equity reflects the effect of the change in exchange rates on the Group's monetary assets and liabilities, including any related financial instruments

Year	Change in NOK rate	Effect on profit before tax (USD 1000)	Effect on pre-tax equity (USD 1000)
2025	10% strengthening	4 160	2 586
	10% weakening	(4 429)	(2 854)
2024	10% strengthening	2 517	2 164
	10% weakening	(2 059)	(1 940)
Year	Change in EUR rate	Effect on profit before tax (USD 1000)	Effect on pre-tax equity (USD 1000)
2025	10% strengthening	(5 057)	(5 017)
	10% weakening	6 238	6 198
2024	10% strengthening	863	863
	10% weakening	(706)	(707)
Year	Change in GBP rate	Effect on profit before tax (USD 1000)	Effect on pre-tax equity (USD 1000)
2025	10% strengthening	2 471	2 624
	10% weakening	(1 216)	(1 368)
2024	10% strengthening	2 387	2 387
	10% weakening	(1 953)	(1 953)

## 4.1 Financial risk management and exposures (continued)

### Interest rate risk

The Group would primarily be exposed to interest rate risk through the utilization of the USD 75 million Revolving Credit Facility. As of December 31, 2025, the facility remained undrawn (2024 utilization: USD 14.4 million). Any amount utilized under the facility will be charged an interest rate of SOFR plus an applicable margin. During the year an additional credit line of CHY 10 million was established. As of December 31, 2025, CHY 5 million was utilized, which bears an interest rate of LPR minus an applicable margin. Other external debt are fixed rate instruments. The Group does not currently intend to hedge the exposure to interest rate risk. The impact of a 1% increase in interest rates on outstanding debt as of December 31, 2025 would result in an annual increase in interest expense of approximately USD 0.01 million (2024: USD 0.1 million).

### Obligations

HMH has provided the following guarantees on behalf of subsidiaries and related parties as at December 31, 2025 (estimated remaining exposure as at December 31, 2025):

Performance and advance payment guarantees issued on behalf of Group subsidiaries are USD 30.9 million as at December 31, 2025 (2024: USD 43.2 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 cash, receivables and derivatives.

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 is based on individual assessments of potential risks of default and relevant forward-looking information, refer to note 1.2 Material accounting policies, Impairment.

Loss allowance on receivables was USD 2.9 million as at December 31, 2025 (2024: USD 5.6 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 2.4 for additional information.

The Group has the largest concentration of trade receivable and contract assets in United States and Norway representing 31% and 32%, respectively, (2024: 31% and 33%, 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 - Cash and cash equivalents.

A portion of the Group'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 Group 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

Climate change continues to attract considerable attention internationally, including from regulators, legislators, companies in a variety of industries, financial market participants and other stakeholders. Changes in consumer and industrial/commercial behaviour, 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).

As of December 31, 2025, 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.

#### 4.1 Financial risk management and exposures (continued)

##### 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 at December 31, 2025

<i>Amounts in USD thousands</i>	<i>Note</i>	<b>Book value</b>	<b>Net cash flow</b>	<b>6 months and less</b>	<b>6-12 months</b>	<b>1-2 years</b>	<b>2-5 years</b>	<b>More than 5 years</b>
Non-current borrowings	4.7	339 368	429 826	8 521	7 875	15 750	397 680	-
Current borrowings <sup>1)</sup>	4.7	715	715	-	715	-	-	-
Lease liabilities	3.2	50 954	79 488	5 523	5 523	9 594	17 919	40 930
Other non-current liabilities	7.1	16 321	8 032	-	-	6 261	1 771	-
Derivative financial instruments	4.2	556	556	243	204	109	-	-
Trade and other payables	2.7	132 148	132 148	132 148	-	-	-	-
<b>Total financial liabilities</b>		<b>540 063</b>	<b>650 764</b>	<b>146 434</b>	<b>14 317</b>	<b>31 714</b>	<b>417 370</b>	<b>40 930</b>

<sup>1)</sup> See note 4.7 - Borrowings for further details regarding maturity date.

##### As at December 31, 2024

<i>Amounts in USD thousands</i>	<i>Note</i>	<b>Book value</b>	<b>Net cash flow</b>	<b>6 months and less</b>	<b>6-12 months</b>	<b>1-2 years</b>	<b>2-5 years</b>	<b>More than 5 years</b>
Non-current borrowings	4.7	328 747	406 711	10 880	9 880	220 772	165 179	-
Current borrowings	4.7	14 428	15 350	15 350	-	-	-	-
Lease liabilities	3.2	39 372	47 280	4 326	4 326	8 265	17 748	12 615
Other non-current liabilities	7.1	14 213	5 537	-	-	-	5 537	-
Derivative financial instruments	4.2	4 612	4 574	3 296	835	442	-	-
Trade and other payables	2.7	226 772	226 772	226 772	-	-	-	-
<b>Total financial liabilities</b>		<b>628 142</b>	<b>706 223</b>	<b>260 623</b>	<b>15 041</b>	<b>229 480</b>	<b>188 464</b>	<b>12 615</b>

## 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.

### As at December 31, 2025

<i>Amounts in USD thousands</i>	<i>Note</i>	<b>Carrying amount</b>	<b>Financial instruments measured at fair value</b>	<b>Level in fair value hierarchy</b>
<b>Financial assets measured at fair value</b>				
<i>Fair value- hedging instruments</i>				
Derivative financial instruments	4.2	1 402	1 402	Level 2
<b>Financial assets not measured at fair value</b>				
<i>Financial assets at amortized cost</i>				
Cash and cash equivalents	4.3	96 585		
Current financial assets		3 653		
Trade receivables and other current assets	2.4	130 213		
Other financial assets amortized at costs		6 513		
<b>Financial assets</b>		<b>238 366</b>	<b>1 402</b>	

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 at December 31, 2025.

### As at December 31, 2025

<i>Amounts in USD thousands</i>	<i>Note</i>	<b>Carrying amount</b>	<b>Financial instruments measured at fair value</b>	<b>Level in fair value hierarchy</b>
<b>Financial liabilities measured at fair value</b>				
<i>Fair value – hedging instruments</i>				
Derivative financial instruments	4.2	556	556	Level 2
<b>Financial liabilities not measured at fair value</b>				
<i>Financial liabilities at amortized cost</i>				
Borrowings	4.7	339 368		
<i>Other financial liabilities</i>				
Other non-current liabilities	7.1	16 321		
Trade payables and other current liabilities	2.7	132 148		
<b>Financial liabilities</b>		<b>488 393</b>	<b>556</b>	

### As at December 31, 2024

<i>Amounts in USD thousands</i>	<i>Note</i>	<b>Carrying amount</b>	<b>Financial instruments measured at fair value</b>	<b>Level in fair value hierarchy</b>
<b>Financial assets measured at fair value</b>				
<i>Fair value- hedging instruments</i>				
Derivative financial instruments	4.2	1 713	1 713	Level 2
<b>Financial assets not measured at fair value</b>				
<i>Financial assets at amortized cost</i>				
Cash and cash equivalents	4.3	48 912		
Current financial assets		3 679		
Trade receivables and other current assets	2.4	152 737		
Other financial assets amortized at costs	7.3	6 933		
<b>Financial assets</b>		<b>213 973</b>	<b>1 713</b>	

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 at December 31, 2024.

## 4.2 Financial instruments (continued)

As at December 31, 2024

<i>Amounts in USD thousands</i>	<i>Note</i>	<b>Carrying amount</b>	<b>Financial instruments measured at fair value</b>	<b>Level in fair value hierarchy</b>
<b>Financial liabilities measured at fair value</b>				
<i>Fair value – hedging instruments</i>				
Derivative financial instruments	4.2	4 612	4 612	Level 2
<b>Financial liabilities not measured at fair value</b>				
<i>Financial liabilities at amortized cost</i>				
Borrowings	4.7	343 174		
<i>Other financial liabilities</i>				
Other non-current liabilities	7.1	14 212		
Trade payables and other current liabilities	2.7	226 772		
<b>Financial liabilities</b>		<b>588 771</b>	<b>4 612</b>	

### 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.

### Notional value of derivative instruments with maturity

The table below presents the notional 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.

#### Designated hedges

<b>As at December 31, 2025</b>	<b>Total</b>	<b>Maturity</b>		
		<b>6 months and less</b>	<b>6-12 months</b>	<b>1-2 years</b>
<b>Foreign exchanges forward contracts to hedge highly probable forecasted sales</b>				
Notional amounts USD	13 812	13 812	-	-
Average forward rate (USD/NOK)		10,58	-	-
Notional amounts EUR	490	490	-	-
Average forward rate (EUR/NOK)		12,15	-	-
Notional amounts GBP	2 075	1 185	891	-
Average forward rate (GBP/NOK)		13,85	13,80	-
Notional amounts EUR	-	-	-	-
Average forward rate (EUR/USD)		-	-	-

#### Foreign exchanges forward contracts to hedge highly probable forecasted purchases

Notional amounts EUR	150	150	-	-
Average forward rate (EUR/NOK)		12,03	-	-
Notional amounts GBP	940	695	245	-
Average forward rate (GBP/NOK)		13,93	13,90	-
Notional amounts EUR	-	-	-	-
Average forward rate (EUR/USD)		-	-	-

<b>As at December 31, 2024</b>	<b>Total</b>	<b>Maturity</b>		
		<b>6 months and less</b>	<b>6-12 months</b>	<b>1-2 years</b>
<b>Foreign exchanges forward contracts to hedge highly probable forecasted sales</b>				
Notional amounts USD	97 709	74 136	10 817	12 757
Average forward rate (USD/NOK)		10,89	10,92	10,54
Notional amounts EUR	10 109	5 485	4 379	245
Average forward rate (EUR/NOK)		11,90	11,93	12,09
Notional amounts GBP	6 028	3 658	294	2 075
Average forward rate (GBP/NOK)		13,94	13,91	13,83
Notional amounts EUR	40 449	28 141	12 308	-
Average forward rate (EUR/USD)		1,08	1,08	-
<b>Foreign exchanges forward contracts to hedge highly probable forecasted purchases</b>				
Notional amounts EUR	4 235	3 185	1 050	-
Average forward rate (EUR/NOK)		11,76	11,94	-
Notional amounts GBP	2 595	1 206	450	940
Average forward rate (GBP/NOK)		13,65	13,95	14
Notional amounts EUR	2 246	2 246	-	-
Average forward rate (EUR/USD)		1,11	-	-

## 4.2 Financial instruments (continued)

### Non-designated hedges

As at December 31, 2025	Total	Maturity		
		6 months and less	6-12 months	1-2 years
<b>Foreign exchanges forward contracts</b>				
Notional amounts NOK	131 200	97 900	16 500	16 800
Average forward rate (NOK/USD)		0,10	0,10	0,10
Notional amounts GBP	13 800	6 000	5 300	2 500
Average forward rate (GBP/USD)		1,35	1,35	1,34
Notional amounts EUR	49 300	21 600	18 900	8 800
Average forward rate (EUR/NOK)		1,19	1,20	1,21

### Foreign exchange derivatives

The Group uses derivative financial instruments such as currency forward contracts to manage its exposure to foreign exchange risks arising from operational, financing and investment activities. Certain derivatives are designated and qualify as cash flow hedges of highly probable forecast transactions. Other derivatives are entered into for risk management purposes but are not designated in hedge relationships.

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 two years, depending on progress in the projects. Gains and losses on forward foreign exchange contracts are recognized in other comprehensive income (OCI) 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.

### 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 465 thousand balance that is currently recorded directly in the hedging reserve as at December 31, 2025, will be reclassified to income statement (2024: negative USD 2 250 thousand).

Amounts in USD thousands	2025	2024
Net fair value of all hedging instruments (assets / liability (-))	846	(2 900)
Deferred in equity (the hedge reserve)	465	(2 250)

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.

Amounts in USD thousands	Hedging reserve	
	2025	2024
<b>Balance as at January 1</b>	<b>(2 250)</b>	<b>1 098</b>
Change in foreign currency risk	3 481	(4 314)
Tax on movement on reserve during the year	(766)	966
<b>Balance as at December 31</b>	<b>465</b>	<b>(2 250)</b>

### 4.3 Cash and cash equivalents

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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.

As at December 31, 2025

<i>Amounts in USD thousands</i>	2025	2024
Restricted cash	-	170
Unrestricted cash	96 585	48 742
<b>Total cash and cash equivalents</b>	<b>96 585</b>	<b>48 912</b>

Restricted cash may include legally restricted deposits held as compensating balances against short-term borrowing arrangements, contracts entered into with others, or company statements of intention with regard to particular deposits.

The Group held an immaterial balance of restricted cash as of December 31, 2025 and December 31, 2024.

Additional undrawn committed current bank revolving credit facilities amount to USD 76 million (2024: USD 35 million) with cash and cash equivalents of USD 97 million (2024: USD 49 million) gives a total liquidity reserve of USD 172 million as at December 31, 2025 (2024: USD 84 million). See also note 4.5 - Capital management and note 4.7 - Borrowings.

Interest-bearing cash deposits included under cash and cash equivalents only represent deposits that are available on demand.

Cash and cash equivalents are financial assets measured at amortized cost; their carrying amounts approximate fair value.

#### 4.4 Finance income and finance expenses

<i>Amounts in USD thousands</i>	<b>2025</b>	<b>2024</b>
Interest income on bank deposits	5 662	2 746
Foreign exchange gain	27 727	15 809
Other finance income	1 264	464
<b>Finance income</b>	<b>34 654</b>	<b>19 019</b>
Interest expense on financial liabilities measured at amortized cost	(36 996)	(36 385)
Refinancing costs <sup>1)</sup>	(8 033)	-
Interest expense on lease liabilities	(3 199)	(2 158)
Foreign exchange loss	(20 712)	(21 504)
Other financial expenses	(4 019)	(3 458)
<b>Finance expenses</b>	<b>(72 959)</b>	<b>(63 505)</b>
<b>Net finance expenses recognized in profit and loss</b>	<b>(38 305)</b>	<b>(44 485)</b>

Finance income and finance expenses mainly arise from financial assets and liabilities measured at amortized cost.

<sup>1)</sup> This relates to the refinancing of the senior secured bond. See note 4.7 - Borrowings for further details.

#### 4.5 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 Group's Return On Capital Employed (ROCE) over time.
- Optimizing the Group'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 at December 31, 2025 of USD 172 million (2024: USD 84 million), composed of undrawn committed credit facilities of USD 76 million (2024: USD 35 million) and cash and cash equivalents of USD 97 million (2024: USD 49 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 is 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 4.7 - 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 total 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 4.2 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 at December 31, 2025.

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 at December 31, 2025 and December 31, 2024.

The Group defines capital as total equity (USD 700 million at December 31, 2025, 2024: USD 632 million) together with interest-bearing debt of USD 344 million at December 31, 2025 (2024: USD 347 million).

See note 4.7 - Borrowings for details about these loans.

There were no changes in the Group's objectives, policies or processes for managing capital during 2025.

## 4.6 Capital and reserves

### Share capital

HMH Holding B.V. has Class A ordinary shares and Class B ordinary 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 shares, par value EUR 1 per share. As of December 31, 2025 and 2024, the Group had 100 Class A ordinary shares and 100 Class B ordinary shares outstanding.

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 consists of 200 shares at par value EUR 1.00 In 2024 and 2025, there has 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
<b>At December 31, 2024</b>	<b>200</b>	<b>1,00</b>	<b>200</b>
<b>At December 31, 2025</b>	<b>200</b>	<b>1,00</b>	<b>200</b>

### 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.

### Pension rereasurement reserve

The pension rereasurement reserve includes the effect of rereasurement of pension obligations arising due to change in assumptions, such as discounts rates and experience adjustments.

Amounts in USD thousands	2025	2024
<b>Balance as at January 1</b>	<b>2 489</b>	<b>2 036</b>
Other comprehensive income, net of tax	523	453
<b>Balance as at December 31</b>	<b>3 012</b>	<b>2 489</b>

See note 2.5 - Employee benefit expenses for more information relating to pension obligations.

### Other reserve

Amounts in USD thousands	Share-based payment	Paid in capital	Total
<b>Balance as at January 1, 2025</b>	<b>15 524</b>	<b>8 891</b>	<b>24 415</b>
Share-based payments	3 781	-	3 781
<b>Balance as at December 31, 2025</b>	<b>19 305</b>	<b>8 891</b>	<b>28 196</b>
<i>Amounts in USD thousands</i>	<i>Share-based payment</i>	<i>Paid in capital</i>	<i>Total</i>
<b>Balance as at January 1, 2024</b>	<b>9 967</b>	<b>-</b>	<b>9 967</b>
Share-based payments	5 557	-	5 557
Sale ownership interest in Hydril Pressure Controlling Arabia Limited	-	8 891	8 891
<b>Balance as at December 31, 2024</b>	<b>15 524</b>	<b>8 891</b>	<b>24 415</b>

### Share-based payments

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. See note 2.5 - Employee benefit expenses for further details.

### Sale of ownership interest in Hydril Pressure Controlling Arabia Limited

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, to Tanajib Holding Company CJSC, in exchange for total consideration of USD 9.2 million, comprising USD 2.3 million of upfront consideration and USD 6.9 million of deferred consideration. The Group recognized cash of USD 2.3 million, related party note receivable—current of USD 2.2 million and related party notes receivable of USD 4.7 million.

### 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 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 healthy operating working capital to its investors. There has been no breach of financial covenants in the current or previous period. Reference is made to note 4.5 - Capital management.

## 4.7 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 at December 31, 2025

<i>Amounts in thousands</i>	Currency	Nominal currency value	Carrying amount (USD)	Interest rate margin	Fixed rate	Maturity date	Interest terms
Senior Secured Bonds (HMH02)	USD	-	-	-	9,88 %	Nov 2026	Fixed rate
Senior Secured Bonds (HMH03)	USD	200 000	195 636	-	7,88 %	Dec 2028	Fixed rate
Shareholder Loans	USD	143 732	143 732	-	8,00 %	Dec 2028	Fixed rate
Revolving Credit Facility 2023 (USD 50 million)	USD	-	-	3,75 %	-	May 2026	SOFR + Margin
Revolving Credit Facility 2025 (USD 75 million)	USD	-	-	3,00 %	-	Jun 2028	SOFR + Margin
Credit Line in China	RMB	5 000	715	-0,40 %	-	Mar 2026	China LPR + Margin
<b>Total borrowings</b>			<b>340 083</b>				
<b>Current borrowings</b>			<b>715</b>				
<b>Non-current borrowings</b>			<b>339 368</b>				
<b>Total borrowings</b>			<b>340 083</b>				

HMH Holding B.V. is the direct borrower of all of the loans above.

### Senior Secured Bonds

The Bond loan ("HMH02") (ISIN code: NO0013063495) was refinanced in December, 2025. HMH Holding B.V. issued on or around December 17, 2025, a bond ("HMH03") (ISIN code: NO0013700039) of USD 200 million with a 3-year tenor and a fixed coupon of 7.875 % per annum.

The Bond loan ("HMH02") (ISIN code: NO0013063495) was repaid at a price equal to 103.292 % of nominal value (plus accrued and unpaid interest up until the date of redemption) with the call redemption date on December 23, 2025. In connection with the refinancing, the Senior Secured Bonds due 2026 were also delisted from the Oslo Stock Exchange. The Group intends to list the bond on the Euronext ABM (Oslo Stock Exchange) in Q2 2026.

The agreement governing the Senior Secured Bonds due 2028 includes customary representations and warranties, affirmative covenants and certain restrictive covenants that may limit the Company's ability to, among other things, incur additional indebtedness, guarantee obligations, incur liens, make investments, loans or capital expenditures, sell or dispose of assets, enter into mergers or consolidations, enter into transactions with affiliates or make or declare dividends. See note 4.5 - Capital management for further details.

### Shareholder Loans

On October 1, 2021, the Company entered into a loan agreement with related parties, Baker Hughes Holdings LLC and Akastor AS (as amended, the "Shareholder Loan Agreement") to finance its operating and finance activities. Baker Hughes Holdings LLC provided an USD 80.0 million term loan under the Shareholder Loan Agreement (the "Baker Hughes Shareholder Loan"), and Akastor AS provided a USD 20.0 million term loan under the Shareholder Loan Agreement (the "Akastor Shareholder Loan" and, together with the Baker Hughes Shareholder Loan, the "Shareholder Loans"). The Shareholder Loans mature on the earliest to occur of December 18, 2028 or a liquidation event (as defined in the Shareholder Loan Agreement).

The Shareholder Loans are unsecured. The Shareholder Loan Agreement includes certain restrictive covenants that may limit the Company's ability to, among other things, incur additional indebtedness or make or declare dividends. The Shareholder Loan Agreement contains customary representations and warranties, affirmative covenants and events of default.

### Revolving Credit Facility

The revolving credit facilities (RCF) are provided by a bank syndicate consisting of high-quality Nordic and international banks, consisting of: DNB Carneige, a part of DNB Bank ASA and Nordea Bank Abp, branch in Norway. On December 18, 2025, the Company and the bank syndicate as mandated lead arrangers and bookrunners, entered into an amendment and restatement of the Revolver pursuant to which the Revolver Lenders provide revolving credit financing to the Company in an aggregate principal amount of up to USD 75.0 million. The scheduled maturity date of the Revolver is June 17, 2028 (which is an extension from the May 16, 2026 scheduled maturity date prior to the amendment and restate of the Revolver).

The Revolver includes certain restrictive covenants that may limit the Company's ability to, among other things, incur additional indebtedness, guarantee obligations, incur liens, make investments, loans or capital expenditures, sell or dispose of assets, enter into mergers or consolidations, enter into transactions with affiliates or make or declare dividends. See note 4.5 - Capital management for further details.

### Fair values

The fair value of the Senior Secured Bond, HMH03, is based on quoted market values. The fair value of the bond derived from Bloomberg amounts to 102.25%, or USD 204.5 million, as of December 31, 2025. For the loans with floating interest (all except for the Shareholder Loans) management assessed that the nominal amount is a 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 maturity. The interest of 8% is reasonable and similar to other external borrowings. Lastly, management assessed that carrying amount of the financial assets is approximately the fair value as the interest derived from the market value. For the remaining debt instruments, the book values of each instrument approximate its respective carrying amount and fair value, and interest rates for each instrument are reflective of market rates.

### Reconciliation of liabilities arising from financing activities

<i>Amounts in USD thousands</i>	January 1, 2025	Non-cash effect <sup>1)</sup>	Net cash flows	Deferred Interest <sup>3)</sup>	Amortization	Capitalized borrowing costs	December 31, 2025
Senior Secured Bonds (HMH02)	196 836	(11 800)	(188 200)	-	3 163	-	-
Senior Secured Bonds (HMH03)	-	11 800	188 200	-	-	(4 364)	195 636
Shareholder Loans <sup>2)</sup>	131 910	-	-	11 822	-	-	143 732
Revolving Credit Facility 2023 (USD 50 million)	14 427	-	(15 000)	-	75	498	-
Revolving Credit Facility 2025 (USD 75 million)	-	-	-	-	-	-	-
Credit Line in China	-	-	715	-	-	-	715
<b>Total liabilities arising from financing activities</b>	<b>343 174</b>	<b>-</b>	<b>(14 285)</b>	<b>11 822</b>	<b>3 238</b>	<b>(3 866)</b>	<b>340 083</b>

<sup>1)</sup> The bond loan ("HMH02") (ISIN code: NO0013063495) of USD 200 million has been refinanced by an issue of a new bond loan ("HMH03") (ISIN code: NO0013700039) of USD 200 million in 2025. The amount of USD 11.8 million is total rollover from previous bond to new bond.

<sup>2)</sup> 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 December 18, 2028. USD 20 million of the loan relates to Akastor, and remaining USD 80 million is a loan from 2021 from Baker Hughes to HMH. See note 4.7- Borrowings for further details.

<sup>3)</sup> Includes addition of USD 890 thousand DTA from contingent consideration due to used DTA from pre HMH establishment.

#### 4.7 Borrowings (continued)

As at December 31, 2024

<i>Amounts in thousands</i>	Currency	Nominal currency value	Carrying amount (USD)	Interest rate margin	Fixed rate	Maturity date	Interest terms
Senior Secured Bonds (HMH02)	USD	200 000	196 837		9,88 %	Nov 2026	Fixed rate
Shareholder Loans	USD	131 910	131 910		8,00 %	Oct 2026	Fixed rate
Revolving Credit Facility 2023 (USD 50 million)	USD	15 000	14 428	3,75 %		May 2026	SOFR + Margin
Credit Line in China	RMB	-	-	-0,40 %		Jul 2024	China LPR + Margin
<b>Total borrowings</b>			<b>343 175</b>				
Current borrowings			<b>14 428</b>				
Non-current borrowings			<b>328 747</b>				
<b>Total borrowings</b>			<b>343 175</b>				

HMH Holding B.V. is the borrower of all of the loans above

#### Reconciliation of liabilities arising from financing activities

<i>Amounts in USD thousands</i>	January 1, 2024	Net cash flows	Deferred Interest	Amortization	Capitalized borrowing costs	December 31, 2024
Senior Secured Bonds (HMH02)	198 928	(2 469)	-	1 559	(1 181)	196 837
Shareholder Loans	119 587	-	12 323	-	-	131 910
Revolving Credit Facility 2023 (USD 50 million)	21 128	(7 000)	-	299	-	14 427
Credit Line in China	984	(984)	-	-	-	-
<b>Total liabilities arising from financing activities</b>	<b>340 628</b>	<b>(10 453)</b>	<b>12 323</b>	<b>1 858</b>	<b>(1 181)</b>	<b>343 175</b>

#### Guarantee

Subsidiaries defined as material under the bond terms and facility agreement serve as guarantors for the fulfilment of payment of interest, principal and other specified costs for HMH Holding B.V. The security provided by each guarantor is limited to USD 600 million (2024: 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.

## Section 5 - Tax

### 5.1 Income tax

#### Income tax expense

<i>Amounts in USD thousands</i>	2025	2024
Current year	(23 740)	(17 324)
Adjustments for prior years	(336)	(176)
<b>Total current tax expense(-) / income</b>	<b>(24 076)</b>	<b>(17 500)</b>
<i>Deferred tax expense</i>		
Origination and reversal of temporary differences	(1 692)	(7 033)
Change in tax rate	(356)	-
<b>Total deferred tax expense(-) / income</b>	<b>(2 048)</b>	<b>(7 033)</b>
<b>Total tax expense</b>	<b>(26 124)</b>	<b>(24 533)</b>

#### 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>	2025		2024	
Profit / loss(-) before tax	<b>67 222</b>		<b>70 051</b>	
Tax rate (25.80%)	<b>(17 343)</b>	(25,8%)	<b>(18 036)</b>	(25,8%)
<i>Tax effects of:</i>				
Difference between local tax rate and Dutch tax rate	<b>2 447</b>	3,6 %	<b>2 783</b>	4,0 %
Non-deductible income / expenses(-)	<b>(2 931)</b>	(4,4%)	<b>8 094</b>	11,6%
Tax losses not recognized as deferred tax assets	<b>(3 595)</b>	(5,3%)	<b>(13 621)</b>	(19,4%)
Utilization of tax losses not recognized as deferred tax assets	<b>925</b>	1,4 %	<b>936</b>	1,3 %
Write down of deferred tax assets	-	-	<b>(205)</b>	(0,3%)
Withholding taxes	<b>(4 289)</b>	(6,4%)	<b>(2 356)</b>	(3,4%)
Change in tax rates	<b>(356)</b>	(0,5%)	-	-
Uncertain tax position	<b>(352)</b>	(0,5%)	<b>(1 560)</b>	(2,2%)
Other	<b>(629)</b>	(0,9%)	<b>(567)</b>	(0,8%)
<b>Total tax expenses(-) / income <sup>1)</sup></b>	<b>(26 124)</b>	<b>(38,9%)</b>	<b>(24 533)</b>	<b>(35,0%)</b>

<sup>1)</sup> The increase in tax expense in 2025 resulted primarily from increased profits. The Group's effective tax rates for 2025 and 2024 were negatively impacted by the changes in valuation allowance related to losses in certain jurisdictions for which the Group cannot currently recognize a tax benefit. The effective tax rates were also impacted by the Group's US income and losses which are taxed to Baker Hughes and Akastor and certain withholding taxes.

#### Recognized deferred tax assets and liabilities

##### As at December 31

<i>Amounts in USD thousands</i>	Assets		Liabilities		Net	
	2025	2024	2025	2024	2025	2024
Property, plant and equipment	-	2 886	(3 541)	(4 092)	(3 541)	(1 206)
Intangible assets	-	-	(12 416)	(12 890)	(12 416)	(12 890)
Projects under construction	-	-	(7 878)	(836)	(7 878)	(836)
Pensions	3 207	3 490	-	-	3 207	3 490
Provisions	15 373	4 205	-	-	15 373	4 205
Derivatives	-	-	(1 560)	(3 049)	(1 560)	(3 049)
Other <sup>1)</sup>	1 485	5 678	-	606	1 485	6 284
Tax loss and interest carry-forwards	3 808	4 018	-	-	3 808	4 018
<b>Total before set offs</b>	<b>23 873</b>	<b>20 276</b>	<b>(25 395)</b>	<b>(20 261)</b>	<b>(1 521)</b>	<b>15</b>
Set off of tax	(7 990)	(1 136)	7 990	1 136	-	-
<b>Total deferred tax assets / liabilities(-)</b>	<b>15 885</b>	<b>19 139</b>	<b>(17 404)</b>	<b>(19 128)</b>	<b>(1 521)</b>	<b>15</b>

<sup>1)</sup> Includes inventory reserve and interest expense carry-forward.

## 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
<b>Balance as at January 1, 2024</b>	(1 663)	(12 941)	(6 099)	4 001	14 688	(2 657)	(1 492)	13 192	7 029
Acquisition of subsidiaries	-	(772)	-	-	-	-	-	-	(772)
Recognized in profit and loss	(19)	341	1 356	(265)	(2 475)	(187)	1 071	(7 471)	(7 649)
Recognized in other comprehensive income	-	-	-	-	-	-	27	-	27
Currency translation differences	477	482	1 498	(247)	572	(205)	505	(1 703)	1 380
<b>Balance as at December 31, 2024</b>	<b>(1 206)</b>	<b>(12 890)</b>	<b>(3 244)</b>	<b>3 490</b>	<b>12 785</b>	<b>(3 049)</b>	<b>111</b>	<b>4 018</b>	<b>15</b>
Acquisition of subsidiaries	(13)	(405)	-	-	-	-	-	-	(418)
Recognized in profit and loss	(325)	(9)	(287)	(742)	419	1 885	(1 261)	(3 403)	(3 723)
Recognized in other comprehensive income	-	-	-	(261)	-	-	-	-	(261)
Currency translation differences	(1 998)	888	(4 347)	721	2 169	(396)	4 968	860	2 866
<b>Balance as at December 31, 2025</b>	<b>(3 541)</b>	<b>(12 416)</b>	<b>(7 878)</b>	<b>3 207</b>	<b>15 373</b>	<b>(1 560)</b>	<b>3 818</b>	<b>1 475</b>	<b>(1 521)</b>

### Unrecognized tax loss carry-forwards and unrecognized other tax reducing temporary differences

*Expiry date of unrecognized tax loss carry-forwards*

**As at December 31, 2025**

<i>Amounts in USD thousands</i>	2025	2024
Expiry in 2027 and later	17 398	15 927
Indefinite	17 442	13 771
<b>Total</b>	<b>34 840</b>	<b>29 698</b>

As at December 31, 2025, the unrecognized other tax-reducing temporary differences amounted to USD 47 401 thousand (2024: USD 69 930 thousand).

### Global minimum top-up tax

The Organization for Economic Co-operation and Development (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. In January 2026, the OECD issued additional guidance on a side-by-side package which limits the applicability of Pillar Two to US multinationals. The Group will be subject to Pillar Two beginning in 2026 but it is not expected to materially increase the taxes the Group owes.

## Section 6 - Group structure

### 6.1 Business combinations

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#### Business combinations in 2025

On October 1, 2025, Hydril PCB Limited completed the acquisition of Deep Blue Oil & Gas Limited ("Deep Blue"), a UK-based company specializing in managed-pressure-drilling ("MPD") systems, for a total consideration of approximately £3.3 million (USD: 4.5 million) in cash and £1.5 million (USD: 2.0 million) in contingent consideration.

Deep Blue holds a portfolio of patents and proprietary technology with applications in offshore drilling, including advanced MPD control and sealing systems. The Group recognized £1.9 million (USD: 2.6 million) of identified intangible assets, £0.2 million (USD: 0.3 million) in cash and £2.7 million (USD: 3.6 million) of goodwill associated with this acquisition. The contingent consideration consists of deferred payments by the Group to the acquiree's prior equity holders for three years, contingent on meeting the specific earnings and operational targets. 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.

#### Business combinations in 2024

On July 17, 2024, Hydril PCB Canada Inc., a wholly owned subsidiary of HMM Holding B.V., acquired 100% of the shares for Drillform Technical Services Ltd ("Drillform") a Calgary, Canada based company with facilities in Tulsa, Oklahoma, USA and Abu Dhabi, UAE. Drillform holds a portfolio of patents and intellectual property related to equipment used in the handling of drill pipe during drilling operations. The company has a significant installed base of automated floor wrenches and catwalks. The purchase price was USD 24.7 million, consisting of USD 21.0 million in cash and USD 3.7 million in contingent consideration.

The contingent consideration consists of deferred payments by the Group to the acquiree's prior equity and debt holders for three years, contingent on meeting the prescribed realized sales price and margin targets for certain types of units sold. The Group estimated the fair value of the contingent consideration using a probability-weighted discounted cash flow method under the income approach. The Group considered a range of outcomes, with the maximum being USD 12 million, and determined the most likely amount of undiscounted contingent consideration is USD 4.7 million.

Goodwill generated from this business combination is primarily attributable to expected synergies from the transaction and incremental revenue and profit to be derived from the Company's expansion into global markets. The goodwill is not considered to be tax deductible.

## 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.

No significant restrictions exist on the Group's ability to access or use assets and settle liabilities of subsidiaries.

### Group companies as at December 31, 2025 and 2024

Company	Location	Country	Ownership (%)	Ownership (%)
			2025	2024
<b>HMH Holding B.V.</b>	Amsterdam	Netherlands		
MHWirth Pty Ltd	Argenton	Australia	100	100
MHWirth do Brasil Equipamentos Ltda	Rio de Janeiro	Brazil	100	100
MHWirth Canada Inc	Newfoundland	Canada	100	100
MHWirth Chile SpA	Santiago	Chile	100	100
MHWirth GmbH	Erkelenz	Germany	100	100
MHWirth India Private Limited	Mumbai	India	100	100
MHWirth AS	Kristiansand	Norway	100	100
MHWirth HoldCo AS	Kristiansand	Norway	100	100
MHWirth (Singapore) Pte Ltd	Singapore	Singapore	100	100
MHWirth FZE	Dubai	UAE	100	100
MHWirth Gas & Oilfield Equipment & Services LLC <sup>1)</sup>	Abu Dhabi	UAE	49	49
MHWirth UK Ltd	Aberdeen	UK	100	100
MHWirth LLC	Houston	USA	100	100
MHWirth Offshore Petroleum Engineering (Shanghai) Co Ltd	Shanghai	China	100	100
Bronco Manufacturing, LLC	Tulsa	USA	100	100
Electrical Subsea & Drilling AS	Kristiansand	Norway	100	100
Hydril PCB Canada Inc	Newfoundland	Canada	100	100
HMH Drilling Engineering Services of India Pvt. Ltd	Chennai	India	100	100
Hydril Pressure Control S. de R.L. de C.V.	Veracruz	Mexico	100	100
Hydril Pressure Controlling Arabia Limited <sup>2)</sup>	Riyadh	Saudi Arabia	70	70
Hydril Pressure Control (Senegal) SASU	Dakar	Senegal	100	100
HMH Drilling Asia Pte Ltd	Singapore	Singapore	100	100
Hydril PCB Limited	Aberdeen	UK	100	100
Hydril USA Distribution LLC	Houston	USA	100	100
HMH Turkey Petrol ve Doğal Gaz Ekipmanları ve Hizmetleri Anonim Şirketi	Ankara	Turkey	100	100
Hydril Pressure Control (Ivory Coast) SASU	VGE	Cote d'Ivoire	100	100
Drillform Technical Services Ltd <sup>3)</sup>	Calgary	Canada	100	100
HMH Holding (Netherlands) B.V. <sup>4)</sup>	Amsterdam	Netherlands	100	100
HMH Holding Inc. <sup>4)</sup>	Houston	USA	100	100
Roughneck Holding Inc. <sup>3)</sup>	Calgary	Canada	100	100
Drillform Drilling Equipment Inc. <sup>3)</sup>	Houston	USA	100	100
Drillform Oilfield Equipment Services LLC <sup>1) 3)</sup>	Abu Dhabi	UAE	49	49
Deep Blue Oil & Gas Limited <sup>5)</sup>	Aberdeen	UK	100	-

<sup>1)</sup> The other shareholder of MHWirth Gas & Oilfield Equipment & Services LLC and Drillform 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.

<sup>2)</sup> On March 28, 2024, the Group entered into a partnership with Tanajib Holding Company CJSC ("Tanajib") in Saudi Arabia and sold 30% of its interest in Hydril Pressure Controlling Arabia Limited. Refer to note 4.6 for more information.

<sup>3)</sup> On July 17, 2024, HMH Holding B.V. acquired 100% of the shares for Drillform Technical Services Ltd. ("Drillform"). Refer to note 6.1 for more detailed information.

<sup>4)</sup> These companies were established in 2024.

<sup>5)</sup> This company was acquired in 2025.

## Section 7 - Other disclosures

### 7.1 Other non-current assets and liabilities

#### Other non-current assets

As at December 31

<i>Net book value</i>	<i>Note</i>	<b>2025</b>	<b>2024</b>
Indemnification asset <sup>1)</sup>	7.3	19 848	18 356
Non-current interest bearing receivables <sup>2)</sup>	7.3	13 756	13 392
Other non-current assets		704	106
<b>Total other non-current assets</b>		<b>34 308</b>	<b>31 854</b>

<sup>1)</sup> Non-current part of the indemnification asset, see note 7.3 - Related party transactions for further details.

<sup>2)</sup> Consist of non-current receivables against Akastor and Baker-Hughes resulting from the settlement of the acquisition of MHWirth and Subsea Drilling Systems and the non-current part of the deferred consideration related to Tanajib Holding, see note 7.3 - Related party transactions for further details.

#### Other non-current liabilities

As at December 31

<i>Amounts in USD thousands</i>	<b>2025</b>	<b>2024</b>
Welfare and support fund <sup>1)</sup>	1 771	1 837
Liability to shareholders <sup>2)</sup>	8 290	8 676
Other non-current liabilities <sup>3)</sup>	6 260	3 700
<b>Total other non-current liabilities</b>	<b>16 321</b>	<b>14 212</b>

#### <sup>1)</sup> Welfare and support fund

The main purpose of this fund is to serve future indirect pension obligations.

<sup>2)</sup> See note 7.3 - Related party transactions for further details.

<sup>3)</sup> Other non-current liabilities include USD 3.7 million of contingent consideration related to the Drillform acquisition, as of both December 31, 2025 and December 31, 2024, and USD 2.0 million of contingent consideration related to the Deep Blue Oil & Gas Limited acquisition as of December 31, 2025. See note 6.1 Business combinations for further details.

### 7.2 Provisions

As at December 31

<i>Amounts in USD thousands</i>	<b>2025</b>	<b>2024</b>
Provisions, current	17 288	16 109
Provisions, non-current	1 227	822
<b>Total provisions</b>	<b>18 515</b>	<b>16 931</b>

#### Development in significant provisions

<i>Amounts in USD thousands</i>	<i>Warranties</i>	<i>Restructuring</i>	<i>Other</i>	<i>Total</i>
<b>Balance as at January 1, 2025</b>	<b>11 082</b>	<b>1 041</b>	<b>4 808</b>	<b>16 931</b>
Reclassification	(145)	-	-	(145)
Provision provided during the period	2 339	2 392	3 887	8 618
Provision utilized during the period	(2 433)	(1 498)	(598)	(4 529)
Provisions reversed during the period	(3 104)	-	(4)	(3 108)
Currency translation differences	632	149	(33)	748
<b>Balance as at December 31, 2025</b>	<b>8 371</b>	<b>2 084</b>	<b>8 060</b>	<b>18 515</b>

*Expected timing of payment as at December 31, 2025*

Within the next twelve months	8 371	857	8 060	17 288
After the next twelve months	-	1 227	-	1 227
<b>Total</b>	<b>8 371</b>	<b>2 084</b>	<b>8 060</b>	<b>18 515</b>

There are no contingent liabilities requiring disclosure under IAS 37.

#### Warranties

Estimates are based on historical claim rates and management's best estimate of future costs.

The provision for warranties relates mainly to the possibility that the 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

Estimates are based on historical claim rates and management's best estimate of future costs.

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 reflects the workforce reduction and is assessed based on the overall restructuring plans for the affected businesses and locations. Due to more adverse market conditions, additional restructuring provision was provided in 2025. The decrease of the restructuring provision occurs on a monthly basis.

#### Other provisions

Estimates are based on historical claim rates and management's best estimate of future costs.

In 2025 other provisions include an environmental reserve of USD 3.2 million (2024: USD 3.1 million) for estimated remediation costs for two plants and USD 2.0 million for loss contingencies (2024: USD 1.7 million)

## 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 the companies 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 remuneration.

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 4.6.

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

#### As at December 31, 2025

<i>Amounts in USD thousands</i>	Baker Hughes Holdings LLC	Akastor AS	Other Baker- Hughes companies	Other Akastor companies	Total
<b>Period January 1, 2025 - December 31, 2025</b>					
<i>Income statement</i>					
Revenue	-	-	130	315	<b>445</b>
Net financial items	(8 232)	(1 986)	-	-	<b>(10 218)</b>
<b>As at December 31, 2025</b>					
<i>Consolidated balance sheet</i>					
Related party note receivables current	-	1 544	-	-	<b>1 544</b>
Related party accounts receivables <sup>4)</sup>	-	424	942	133	<b>1 499</b>
Account payables - related party	-	-	102	5	<b>107</b>
Long term debt	112 471	31 261	-	-	<b>143 732</b>
Indemnification asset <sup>1)</sup>	-	19 848	-	-	<b>19 848</b>
Related party note receivable	4 654	4 697	-	-	<b>9 352</b>
Liability to shareholders <sup>2)</sup>	383	7 907	-	-	<b>8 291</b>

#### As at December 31, 2024

<i>Amounts in USD thousands</i>	Baker Hughes Holdings LLC	Akastor AS	Other Baker- Hughes companies	Other Akastor companies	Total
<b>Period January 1, 2024 - December 31, 2024</b>					
<i>Income statement</i>					
Revenue	-	3 406	132	77	<b>3 615</b>
Net financial items	(7 616)	(1 686)	-	-	<b>(9 303)</b>
<b>Balance as at December 31, 2024</b>					
<i>Consolidated balance sheet</i>					
Related party note receivables current	-	1 500	-	-	<b>1 500</b>
Related party accounts receivables <sup>3)</sup>	-	1 136	974	-	<b>2 110</b>
Account payables - related party	-	-	69	124	<b>193</b>
Long term debt	103 767	28 143	-	-	<b>131 910</b>
Indemnification asset <sup>1)</sup>	-	18 355	-	-	<b>18 355</b>
Related party notes receivable	4 299	4 339	-	-	<b>8 638</b>
Liability to shareholders <sup>2)</sup>	514	8 162	-	-	<b>8 676</b>

<sup>1)</sup> 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 of USD 19.8 million as non-current assets and USD 1.5 million as current assets as at December 31, 2025. (2024: USD 18.4 million as non-current assets and USD 1.5 million as current assets.)

<sup>2)</sup> Contingent considerations related to its owners. HMH have booked USD 8.3 million as other non-current liabilities and USD 0 million as other payables as at December 31, 2025 (2024: USD 8.6 million as other non-current liabilities and USD 0 million as other payables).

<sup>3)</sup> No impairment losses were recognized on related party balances.

### 7.3 Related party transactions (continued)

Related party notes receivable is recorded as Other non-current assets as at December 31, 2025 and 2024. It consists of receivable against Akastor and Baker-Hughes resulting from the settlement of the acquisition of MHWirth and Subsea Drilling Systems, respectively.

#### Related party transactions

##### *Akastor*

- On October 1, 2021, Akastor provided a shareholder loan to the Company of total USD 20 million AS (as amended, the "Shareholder Loan Agreement"). The Company also agreed to pay Akastor for certain deferred tax assets related to the contributed businesses in the amounts of approximately USD 3.0 million, respectively, with such payment made by way of an increase to the Shareholder Loans. Balance as at December 31, 2025, is USD 31.3 million, includes interest and DTA from contingent consideration from pre HMH establishment of USD 11.3 million. This is a long-term loan provided to finance the Group's operating and financing activities (see note 4.7 - Borrowings).
- 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, the Company has a receivable of USD 21.4 million due from Akastor Group as at December 31, 2025 (2024: USD 19.9 million), which is reduced in line with pension payments to former employees in 2024 and 2025.
- On March 17, 2023, the Company entered into a note with Akastor AS (as amended, the "Shareholder Note") whereby the Company extended credit in the principal amount of USD 3.49 million to Akastor AS. The Shareholder Note matures on the earliest to occur of December 18, 2028, or a liquidation event (as defined in the Shareholder Loan Agreement) such as the consummation of this offering and accrues interest at a rate of 8.0% per annum. Subject to certain notice requirements, Akastor AS may voluntarily prepay the Shareholder Note in whole or in part without premium or penalty. There is no right of set-off against the Shareholder Loans. Balance as at December 31, 2025, is USD 4.7 million (2024: USD 4.3 million).

##### *Baker Hughes*

- On October 1, 2021, Baker Hughes provided a shareholder loan to the Company of total USD 80 million (as amended, the "Shareholder Loan Agreement"). The Company also agreed to pay Baker Hughes for certain deferred tax assets related to the contributed businesses in the amounts of approximately USD 0.3 million, respectively, with such payment made by way of an increase to the Shareholder Loans. Balance as at December 31, 2025 is USD 112.5 million includes interest and DTA from contingent consideration from pre HMH establishment of USD 32.5 million. This is a long-term loan provided to finance the Group's operating and finance activities (see note 4.7 - Borrowings).
- On March 17, 2023, the Company entered into a note with Baker Hughes Holdings LLC (as amended, the "Shareholder Note") whereby the Company extended credit in the principal amount of USD 3.45 million to Baker Hughes Holdings LLC. The Shareholder Note matures on the earliest to occur of December 18, 2028, or a liquidation event (as defined in the Shareholder Loan Agreement) such as the consummation of this offering and accrues interest at a rate of 8.0% per annum. Subject to certain notice requirements, Baker Hughes Holdings LLC may voluntarily prepay the Shareholder Note in whole or in part without premium or penalty. There is no right of set-off against the Shareholder Loans. Balance as at December 31, 2025, is USD 4.7 million (2024: USD 4.3 million).

#### **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 the Company 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

Prior to appointment of Dwight W. Rettig on April 2, 2026, the Board of Directors of the Group as at December 31, 2025 comprises of directors Daniel W. Rabun, Karl Erik Kjelstad, Judson E. Bailey, Kristian M. Røkke and Georgia M. Magno. All the directors, except Daniel W. Rabun, are non-independent directors as a result of their nomination for appointment by Baker Hughes and Akastor, respectively. Kristian M. Røkke, was replaced by Svein Oskar Stoknes as board member in HMH Holding B.V. on January 12, 2026.

Upon successful completion of the IPO of HMH Holding Inc. on April 2, 2026, the current Board of Directors resigned from the Board of HMH Holding B.V. and were nominated as the Board of Directors for HMH Holding Inc.

On April 2, 2026, Dwight W. Rettig was nominated as the sole director of HMH Holding B.V.

As at December 31, 2025, 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 Group has no Supervisory Board in 2025 or 2024. The Group has a separate Audit Committee which has comprised of Asbjørn Rødal since November 2022.

### Board of Directors

Prior to appointment of Dwight W. Rettig on April 2, 2026, other than Mr. Rabun, the Board of Directors received no remuneration for being directors in 2025. 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. Because October 21, 2025 was the triggering event, the additional retainer became payable on that date and was paid to Mr. Rabun in cash on November 14, 2025. The other members of the Board of Directors have no agreements that entitle them to any extraordinary remuneration from the Group.

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 56 thousand in 2025 (2024: USD 54 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.

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.

### Benefits

The executive management participates in the standard employee, pension and insurance plan applicable to all employees in the Company. No executive personnel in HMH 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 1 575 thousand in 2025 (2024: USD 2 488 thousand).

### Directors' and executive management's shareholding

Directors and the members of the executive management have no shares in the Group as at December 31, 2025, or 2024. 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.

<i>Amounts in USD thousands</i>	<b>2025</b>	<b>2024</b>
Short-term regular benefit	4 840	6 184
Pension	121	122
Share-based payments (accrued)	1 575	2 488
<b>Total remuneration to executive management</b>	<b>6 536</b>	<b>8 794</b>
Short-term regular benefit to Chairman of the Board of Directors	300	-
<b>Total remuneration to executive management and Board of Directors</b>	<b>6 836</b>	<b>8 794</b>

The remuneration disclosed above represents expenses recognized in the consolidated income statements.

The remuneration to executive management and Chairman of the Board of Directors was paid by the Group subsidiaries and not by the Company.

During the reporting period ended December 31, 2025, there were no loans, advances, or guarantees granted by the Group to, or for the benefit of, its Key Management Personnel.

## 7.5 Subsequent events

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The Group evaluated subsequent events through April 9, 2026, 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

On January 12, 2026, Svein Oskar Stoknes joined the Board of Directors as board member.

Upon successful completion of the IPO of HMH Holding Inc. on April 2, 2026, the current Board of Directors resigned from the Board of HMH Holding B.V. and were nominated as the Board of Directors for HMH Holding Inc.

On April 2, 2026, Dwight W. Rettig was nominated as the sole director of HMH Holding B.V.

### Initial Public Offering:

HMH Holding Inc. was incorporated in the State of Delaware on April 29, 2024, as a holding entity with an intend to complete its Initial Public Offering (IPO) and other related transactions in order to carry on our business. On April 2, 2026, HMH Holding Inc. completed its IPO and received net proceeds of approximately USD 197.8 million in exchange for 10.5 million shares of its Class A common stock. The underwriter has the option to purchase up to additional 1.6 million shares of Class A common stock from us at the public offering price after the underwriting discounts and commission within 30 days from the IPO date.

Subsequent to the IPO, HMH Holding Inc's. sole material asset is its controlling equity interest in HMH Holding B.V.. As our sole managing member and controlling shareholder HMH Holdings Inc. conducts and controls all of our business and affairs through us and our subsidiaries.

### Corporate Reorganization:

HMH Holding Inc. used USD 39.5 million of the net proceeds from the IPO as the cash consideration to purchase an aggregate 2,100,000 of our Class A shares and 2,100,000 voting Class B shares from Baker Hughes Company and its wholly owned subsidiaries (Baker Hughes) and Akastor ASA and its wholly owned subsidiaries (Akastor).

In April, 2026, HMH Holding Inc. contributed all of the remaining net proceeds from this offering to us in exchange for a number of our voting Class A shares and voting Class B shares such that the number of our voting Class A shares and HMH Holding B.V. voting Class B shares, respectively, held by HMH Holding Inc., taking into account our voting Class A shares and HMH Holding B.V. voting Class B shares acquired by HMH Holding Inc. from the Principal Stockholders, equals the number of shares of Class A common stock sold by HMH Holding Inc. in the offering.

After giving effect to these transactions, Baker Hughes and Akastor each owned 38% interest in HMH Holding Inc. by each owning 16.3 million Class B voting shares and 32.6 million non-voting class B shares. Public owned 24% of interest in HMH Holding Inc. through their ownership in all of HMH Holding Inc. Class A common shares.

We used the net proceeds received from these transactions to repay all of the outstanding principal Shareholder Loans and related accrued and unpaid interest and remaining proceeds were used to fund our working capital.



**Company Financial Statements  
for the year 2025**

**HMH Holding B.V.**

## Income statement

For the year ended December 31, 2025

<i>Amount in USD thousands</i>	<i>Note</i>	<b>2025</b>	<b>2024</b>
<b>Revenue</b>	2	<b>16 932</b>	<b>19 944</b>
Other operating expenses	2	(26 079)	(31 942)
<b>Operating expenses</b>		<b>(26 079)</b>	<b>(31 942)</b>
<b>Operating profit / loss(-)</b>		<b>(9 147)</b>	<b>(11 998)</b>
Finance income	3	54 797	6 430
Finance expenses	3	(48 452)	(37 686)
<b>Net finance expenses</b>		<b>6 346</b>	<b>(31 257)</b>
<b>Profit / loss(-) before tax</b>		<b>(2 802)</b>	<b>(43 255)</b>
Income tax expense	4	(227)	-
<b>Profit / loss(-) for the period</b>		<b>(3 029)</b>	<b>(43 255)</b>

## Statements of comprehensive income

For the year ended December 31, 2025

<i>Amounts in USD thousands</i>	<i>Notes</i>	<b>2025</b>	<b>2024</b>
<b>Profit / loss(-) for the period</b>		<b>(3 029)</b>	<b>(43 255)</b>
<b>Total items that will not be reclassified to profit or loss, net of tax</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income / loss(-)</b>		<b>(3 029)</b>	<b>(43 255)</b>
<b>Total comprehensive income / loss(-) attributable to:</b>			
Owners to the Company		(3 029)	(43 255)

The accompanying notes are an integral part of these Company Financial Statements on pages 108 to 119.

## Statement of financial position

As of December 31

<i>Amount in USD thousands</i>	<i>Note</i>	<b>2025</b>	<b>2024*</b>
<b>Assets</b>			
<b>Non-current assets</b>			
Investments in subsidiaries	5	768 416	795 416
Non-current non-interest-bearing receivables to related parties	7	19 848	18 355
Non-current interest-bearing receivables to group companies and related parties	7	17 502	46 709
Other non-current assets		558	-
<b>Total non-current assets</b>		<b>806 323</b>	<b>860 480</b>
<b>Current assets</b>			
Trade receivables and other current assets		2 440	1 303
Other receivables to group companies and related parties	7	37 959	38 569
Derivative financial instruments		140	-
Cash and cash equivalents	7	48 335	9 535
<b>Total current assets</b>		<b>88 874</b>	<b>49 407</b>
<b>Total assets</b>		<b>895 197</b>	<b>909 887</b>
<b>Equity and liabilities</b>			
Share capital	6	0	0
Share premium	6	601 539	601 539
Other reserves	6	(121 687)	(82 213)
Unappropriated result	6	(3 029)	(43 255)
<b>Total equity</b>	<b>6</b>	<b>476 823</b>	<b>476 071</b>
<b>Non-current liabilities</b>			
Borrowings	8	195 636	196 836
Interest-bearing liabilities to shareholders	7,8	143 732	131 910
Liability to shareholders	12	8 290	8 676
<b>Total non-current liabilities</b>		<b>347 657</b>	<b>337 422</b>
<b>Current liabilities</b>			
Borrowings	8	-	14 427
Trade payables and other liabilities	7,10,11	70 195	81 967
Derivative financial instruments	11	521	-
<b>Total current liabilities</b>		<b>70 716</b>	<b>96 394</b>
<b>Total liabilities</b>		<b>418 373</b>	<b>433 816</b>
<b>Total equity and liabilities</b>		<b>895 197</b>	<b>909 887</b>

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 at December 31, 2025 and 2024.

\* the comparative figures in relation to cash and intercompany positions have been changed for presentation purposes, we refer to note 14 for further details.

The accompanying notes are an integral part of these Company Financial Statements on pages 108 to 119.

**Statement of cash flows**  
For the year ended December 31, 2025

<i>Amount in USD thousands</i>	<i>Note</i>	<b>2025</b>	<b>2024*</b>
Profit / loss(-) before tax		(2 802)	(43 255)
<i>Adjustments:</i>			
Net finance income and expenses	3	(6 346)	31 257
Foreign exchange gain and loss (-)	3	1 003	(1 633)
Share-based payment expense	2	3 781	5 558
<b>Profit / loss(-), net of adjustments</b>		<b>(4 364)</b>	<b>(8 073)</b>
<i>Changes in working capital:</i>			
Decrease/Increase(-) in receivables from group companies and related parties		1 227	(17 963)
Decrease/increase(-) in trade receivables and other current assets		(1 277)	(1 303)
Increase/Decrease(-) in trade payables and other liabilities		(11 251)	54 499
Decrease/Increase(-) in indemnification assets		(1 537)	559
Other changes		1 116	443
<b>Total changes in working capital</b>		<b>(11 723)</b>	<b>36 234</b>
Interest paid	3	(27 273)	(23 054)
Interest received	3	4 679	6 430
<b>Net cash from operating activities</b>		<b>(38 680)</b>	<b>11 537</b>
Dividends received from subsidiaries	3	45 000	-
Repayment of paid-in capital	5	27 000	-
Loans issued to group companies		(5 250)	(22 612)
Loans repayment from group companies		35 171	20 000
<b>Net cash from investing activities</b>		<b>101 921</b>	<b>(2 612)</b>
Proceeds from borrowings	8	325 000	90 000
Payment of borrowings	8	(346 584)	(97 000)
Payment of borrowing cost	8	(3 378)	(1 627)
<b>Net cash from financing activities</b>		<b>(24 962)</b>	<b>(8 627)</b>
Effect of exchange rate changes on cash and cash equivalents		521	-
<b>Net increase / decrease(-) in cash and cash equivalents</b>		<b>38 800</b>	<b>298</b>
Cash and cash equivalents at the beginning of the period		9 535	9 237
<b>Cash and cash equivalents at the end of the period</b>	<b>7</b>	<b>48 335</b>	<b>9 535</b>

\* the comparative figures in relation to cash and intercompany positions have been changed for presentation purposes, we refer to note 14 for further details.

The accompanying notes are an integral part of these Company Financial Statements on pages 108 to 119.

## Statement of changes in equity

For the year ended December 31, 2025

Amounts in USD thousands	Note	Share capital <sup>1)</sup>	Share premium	Other reserves		Unappropriated result	Total equity
				Share-based payments	Accumulated losses		
<b>Equity at January 1, 2025</b>		0	601 539	15 525	(97 738)	(43 255)	476 071
Appropriation of previous year's loss		-	-	-	(43 255)	43 255	-
Profit / loss(-) for the year		-	-	-	-	(3 029)	(3 029)
Share-based payments		-	-	3 781	-	-	3 781
<b>Equity at December 31, 2025</b>	6	0	601 539	19 306	(140 993)	(3 029)	476 823

<sup>1)</sup> Share capital is USD 0.003 thousand as at December 31, 2025.

For the year ended December 31, 2024

Amounts in USD thousands	Note	Share capital <sup>1)</sup>	Share premium	Other reserves		Unappropriated result	Total equity
				Share-based payments	Accumulated losses		
<b>Equity at January 1, 2024</b>		0	601 539	9 967	(46 049)	(51 689)	513 768
Appropriation of previous year's loss		-	-	-	(51 689)	51 689	-
Profit / loss(-) for the year		-	-	-	-	(43 255)	(43 255)
Share-based payments		-	-	5 558	-	-	5 558
<b>Equity at December 31, 2024</b>	6	0	601 539	15 525	(97 738)	(43 255)	476 071

<sup>1)</sup> Share capital is USD 0.003 thousand as at December 31, 2024.

The accompanying notes are an integral part of these Company Financial Statements on pages 108 to 119.

# Notes to the company financial statements

## 1. General information

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### Corporate 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, Netherlands.

As at October 1, 2021, the Company acquired Baker Hughes' Subsea Drilling Systems (SDS) and Akastor's wholly owned subsidiary, MHWirth establishing and creating HMM (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 Group. HMM 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 Group's vision is centered on an unparalleled commitment to quality and yielding economic advantages for customers and stakeholders, and has a global span covering five continents with offices in 15 countries.

### Basis of preparation

#### Statement of compliance

The separate financial statements of the Company have been prepared in accordance with IFRS Accounting Standards as adopted by the European Union (EU-IFRS) and the applicable provisions of Part 9 of Book 2 of the Dutch Civil Code.

#### Functional and presentation currency

The 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.

#### 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 Company's financial statements' accounting policies only deviate with respect to the following items:

#### Foreign currency

##### *Foreign currency transactions*

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 Company accounts, less 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:

- 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
- it is not probable that further breaches will occur within twelve months of the balance sheet date.

Certain amounts in prior year periods have been reclassified to conform with current period presentation.

**Finance income and finance 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 Company's cash as well as net deposits from subsidiaries in the Group cash pooling system owned by the 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.

**Significant accounting estimates and judgments**

The Company Financial Statements have been prepared using the same accounting estimates, key judgements and estimation techniques as applied in the Group's consolidated financial statements. The most significant accounting estimates and judgements that are relevant to the Company Financial Statements are consistent with those described in Note 1.3 - Significant accounting policies, key estimates and judgements, in the consolidated financial statements.

## Note 2 Operating revenue and expenses

<i>Amounts in USD thousands</i>	<i>Note</i>	<b>2025</b>	<b>2024</b>
<b>Other revenue</b>		16 932	19 944
<b>Total revenue</b>		<b>16 932</b>	<b>19 944</b>

### 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>	<b>2025</b>	<b>2024</b>
Share-based payments expenses		(3 781)	(5 557)
Management service		(13 089)	(17 810)
Legal and compliance cost		(9 163)	(8 554)
Other operating cost		(45)	(20)
<b>Total operating expenses</b>		<b>(26 079)</b>	<b>(31 942)</b>

There are no employees in HMH Holding B.V. and hence no salary or pension related costs and also no loan or guarantees related to the executive management team.

### Management services

Management services consist of cost related to Group services performed by HMH Holding B.V. for subsidiaries.

### Fees to the auditors

Fees to KPMG for statutory audit amounted to USD 618 thousand in 2025 (2024: USD 520 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.

### Board of Directors

Other than Mr. Rabun, the Board of Directors received no remuneration for being directors in 2025.

### 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 56 thousand in 2025 (2024: USD 54 thousand) and the cost is presented as Management service.

### Share-based payments

HMH Holding B.V. established award program to management and certain key employees. Refer to note 2.5 - Employee benefit expenses in the Group's Consolidated Financial Statements for details.

## Note 3 Net financial items

<i>Amounts in USD thousands</i>	<i>Note</i>	<b>2025</b>	<b>2024</b>
Interest income external		580	-
Interest income on intercompany and related party loans		5 385	6 085
Foreign exchange gain		3 692	345
Dividend from subsidiary within the group <sup>2)</sup>		45 000	-
Other finance income		140	-
<b>Finance income</b>		<b>54 797</b>	<b>6 430</b>
Interest expense on external borrowings		(23 347)	(24 150)
Interest expense on related parties borrowings		(10 932)	(10 075)
Refinancing costs		(8 033)	-
Foreign exchange loss		(2 169)	(1 633)
Other financial expenses <sup>1)</sup>		(3 970)	(1 828)
<b>Finance expenses</b>		<b>(48 452)</b>	<b>(37 686)</b>
<b>Net finance expenses recognized in profit and loss</b>		<b>6 345</b>	<b>(31 257)</b>

<sup>1)</sup> Other financial expenses" include bank fees and amortization.

<sup>2)</sup> Dividend received from HMH Holding (Netherlands) B.V. distributed from Hydril USA Distribution LLC.

Overview of the interest-bearing deposits, receivables and borrowings are included in notes 7 and 8.

## Note 4 Tax

<i>Amounts in USD thousands</i>	<b>2025</b>	<b>2024</b>
<i>Income tax expense</i>		
Current income tax this year	-	-
Deferred tax expenses to income statement	(227)	-
<b>Total tax expense(-) / income</b>	<b>(227)</b>	<b>-</b>
<i>Calculation of taxable income</i>		
Profit / loss(-) before tax	(2 802)	(43 255)
Permanent differences	(660)	39 165
<b>Taxable income</b>	<b>(3 461)</b>	<b>(4 090)</b>
<b>Change in tax loss carry forward</b>	<b>3 461</b>	<b>4 090</b>
<b>Taxable profit</b>	<b>-</b>	<b>-</b>
<i>Specification of permanent differences:</i>		
Non-deductible expenses	35 852	32 441
Non-deductible interest for which no deferred tax assets were recognized	8 489	6 724
Participation exemption	(45 000)	-
<b>Total permanent differences</b>	<b>(660)</b>	<b>39 165</b>
Tax rate	25,8%	25,8%
<b>Tax effects of permanent differences</b>	<b>(170)</b>	<b>10 104</b>

### *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.

#### **2025**

<i>Amounts in USD thousands</i>	<i>Gross</i>	<i>Tax effect</i>
Profit / loss(-) before tax	(2 802)	
Tax rate (25.8 %)		723
Participation exemption	(45 000)	11 610
Non-deductible expenses	35 852	(9 250)
Non-deductible interest for which no deferred tax assets were recognized	8 489	(2 190)
<b>Deferred tax assets(-) / liabilities (+), not recognized <sup>1)</sup></b>		<b>(893)</b>
<b>Tax expense (-) / income</b>		<b>(227)</b>

<sup>1)</sup> No net deferred tax asset has been recognized, because it is probable that sufficient taxable profit will be available to utilize the deductible temporary differences, unused tax losses and unused interest carryforwards.

#### **2024**

<i>Amounts in USD thousands</i>	<i>Gross</i>	<i>Tax effect</i>
Profit / loss(-) before tax	(43 255)	
Tax rate (25.8 %)		11 160
Non-deductible expenses	32 441	(8 370)
Non-deductible interest for which no deferred tax assets were recognized	6 724	(1 735)
<b>Deferred tax assets(-) / liabilities (+), not recognized</b>		<b>(1 055)</b>
<b>Tax expense (-) / income</b>		<b>-</b>

No deferred tax asset has been recognised on unused tax losses of USD 11 701 thousand and unused interest carried forwards of USD 64 310 thousand as at December 31, 2025, because it is not probable that sufficient taxable profit will be available against which these amounts can be utilized. The respective unrecognized amounts are USD 8 239 thousand and USD 55 821 thousand as at December 31, 2024.

For details about the Pillar Two Model Rules, refer to note 5.1 Income tax in the Group's Consolidated Financial Statements.

## Note 5 Investments in subsidiaries

			2025		
Name of the subsidiary	Location	Registered office	Share capital (USD thousand)	Number of shares held	Percentage owner voting share
HMH Holding (Netherlands) B.V.	NL	Weerdestein 97, 1083GG Amsterdam, the Netherlands	5	4	100 %

### Name of the subsidiary

Name of the subsidiary	Carrying amount		
	as at December 31 <sup>1)</sup>	Profit / loss(-) for the full year	Equity as at December 31 <sup>1)</sup>
<i>Amounts in USD thousands</i>			
HMH Holding (Netherlands) B.V.	768 415	-	768 416

<sup>1)</sup> During 2025, a capital reduction was executed at MHWirth AS. The proceeds were distributed through HMH Holding (Netherlands) B.V., as intermediate holding company, and resulted in a USD 27 million repayment of paid-in capital to the Company. The Company accounted for this as a reduction in the carrying amount of its investment in HMH Holding (Netherlands) B.V., with no impact on profit or loss.

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 is below the carrying amount and so impairment trigger was 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 has been no instance where previously identified impairments have been reversed. Refer to note 3.4 in Group's Consolidated Financial Statements for more information.

			2024		
Name of the subsidiary	Location	Registered office	Share capital (USD thousand)	Number of shares held	Percentage owner voting share
HMH Holding (Netherlands) B.V. <sup>2)</sup>	NL	Weerdestein 97, 1083GG Amsterdam, the Netherlands	4	4	100 %

<sup>2)</sup> HMH Holding (Netherlands) B.V. owns MHWirth AS, MHWirth LLC and Hydriil USA Distribution LLC. Date of incorporation February 8, 2024.

In 2024, the Company underwent a demerger as part of a strategic reorganization to optimize the Group's structure in order to meet current and future financing needs. This restructuring involved the incorporation of HMH Holding (Netherlands) B.V., a private limited liability company based in Amsterdam. During this legal demerger, certain assets were transferred from the Company to HMH Holding (Netherlands) B.V. under universal title of succession.

This transaction is considered a common control transaction and has been accounted for at book value in accordance with the group's accounting policies. Post-demerger, all shares in HMH Holding (Netherlands) B.V. have been transferred to the Company.

### Name of the subsidiary

Name of the subsidiary	Carrying amount		
	as at December 31	Profit / loss(-) for the full year	Equity as at December 31
<i>Amounts in USD thousands</i>			
HMH Holding (Netherlands) B.V.	795 416	-	795 416

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 is below the carrying amount and so impairment trigger was 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 has been no instance where previously identified impairments have been reversed. Refer to note 3.4 in Group's Consolidated Financial Statements for more information.

### Movements in investments in subsidiaries

<i>Amounts in USD thousands</i>	Total
Balance at December 31, 2024	795 416
Return of paid-in-capital	(27 000)
<b>Balance at December 31, 2025</b>	<b>768 416</b>

## Note 6 Shareholders' equity and shareholders

### Share capital

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 (GM). 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 consists of 200 shares at par value EUR 1.00. In 2024 or 2025, there have been no change in number of shares issued or change in the Company's share capital.

### Shareholders as at December 31, 2025 and 2024

<i>Company</i>	<b>Number of shares held</b>	<b>Ownership</b>
Baker Hughes Holding LLC	100	50 %
Akastor AS	50	25 %
Mercury HoldCo Inc.	50	25 %

### Other reserves

Management has assessed whether any part of the Company's equity is subject to statutory legal reserve requirements or other distribution restrictions under Dutch law as of December 31, 2025. Based on this assessment, no separate legal reserve is required.

The other reserves comprise the effect of the equity-settled share-based payments in the Group and accumulated losses from subsidiaries recognized in the Company financial statements.

See note 4.6 - Capital and reserves in Group's Consolidated Financial Statements for more information.

### Unappropriated result

#### *Appropriation of the result of 2024*

The financial statements for the reporting year 2024 have been adopted by the General Meeting in May 27, 2025. The General Meeting has adopted the appropriation of profit after tax for the reporting year 2024 as proposed by the Board of Management.

#### *Proposal for profit appropriation 2025*

The Board of Management proposes to the General Meeting to appropriate the for 2025 loss of USD 3 029 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.

#### As at December 31

<i>Amounts in USD thousands</i>	<b>2025</b>	<b>2024</b>
<b>Shareholders' equity according to the consolidated statement of financial position</b>	<b>699 931</b>	<b>631 793</b>
Hedge reserve	(465)	2 250
Pension remeasurement reserve in subsidiaries	(3 012)	(2 489)
Currency translation reserve in subsidiaries	(532)	19 516
Accumulated losses from subsidiaries	(208 398)	(164 941)
Non-controlling interests	(1 811)	(1 170)
Acquisition of NCI without a change in control	(8 891)	(8 891)
<b>Shareholders' equity according to HMH Holding B.V. statement of financial position</b>	<b>476 822</b>	<b>476 071</b>
Amount in the Company financial statements	476 823	476 071
<b>Net result according to the consolidated profit and loss account</b>	<b>40 428</b>	<b>44 780</b>
Profit / loss(-) for the period from subsidiaries	(43 457)	(88 035)
<b>Net result according to HMH Holding B.V. profit and loss account</b>	<b>(3 029)</b>	<b>(43 255)</b>

## Note 7 Receivables and borrowings from Group companies and related parties

As at December 31

Amounts in USD thousands	Note	2025	2024
<b>Non-current assets</b>			
Non-current interest-bearing receivables to Group companies		8 150	38 071
Non-current interest-bearing receivables to related parties	12	9 352	8 638
<b>Total non-current interest-bearing receivables to Group companies and related parties</b>		<b>17 502</b>	<b>46 709</b>
Indemnification asset	12	19 848	18 355
<b>Total non-current non-interest-bearing receivables to related parties</b>		<b>19 848</b>	<b>18 355</b>
<b>Current assets</b>			
Other receivables to Group companies		35 418	37 056
Other receivables to related parties		425	-
Current interest-bearing receivables to Group companies		572	13
Indemnification asset	12	1 545	1 500
<b>Total other receivables to Group companies and related parties</b>		<b>37 959</b>	<b>38 569</b>
<b>Non-current liabilities</b>			
Non-current interest-bearing liabilities to related parties	8	143 732	131 910
<b>Total interest-bearing liabilities to related parties</b>		<b>143 732</b>	<b>131 910</b>

### Interest-bearing receivables to and borrowings from related parties and Group companies

On March 17, 2023, the Company entered into a note with Akastor AS and Baker Hughes (as amended, the "Shareholder Note") with the related parties to charge interest of 8 % p.a, the expected maturity date is December 18, 2028.

Non-current interest-bearing liability to related parties is a long-term loan provided by Akastor and Bakers Hughes.

See note 4.7 in Group's Consolidated Financial Statements for further information.

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. The non-current receivables bear a floating rate that is set to market using a lookback analysis, and therefore their carrying amounts also approximate fair value.

### 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 at December 31, 2025 and 2024.

HMH Holding B.V. has accounting, legal and other costs which will be reimbursed by HMH Holding Inc. upon consummation of an initial public offering (IPO). This amount is included in Other receivables to Group companies.

The carrying amount of other receivables to group companies approximate fair value.

### 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. HMH Holding B.V. is the legal owner of the cash held in the cash pool. Other participating Group entities hold sub-accounts within the arrangement, and their respective sub-account balances represent intercompany receivable or payable positions against HMH Holding B.V.

Additional undrawn committed current bank revolving credit facilities amount to USD 75 million (2024: USD 35 million) with cash and cash equivalents of USD 97 million (2024: USD 49 million) gives a total liquidity reserve of USD 172 million as at December 31, 2025 (2024: USD 84 million).

See notes 4.3 and 4.5 in Group's Consolidated Financial Statements for further information.

As at December 31

Amounts in USD thousands	Note	2025	2024
Cash and cash equivalents		48 335	9 535
Cash pool group company receivable		6 975	13 791
Cash pool group company payable <sup>1)</sup>		(55 398)	(64 927)
<b>Cash in cash pool system (Company sub-account balance)</b>		<b>(88)</b>	<b>(41 601)</b>

<sup>1)</sup> Cash pool group company payable is included into Trade payables and other liabilities. See note 14 for more details.

## Note 8 Borrowings

As at December 31, 2025

<i>Amounts in USD thousands</i>	Currency	Nominal currency value	Carrying amount (USD)	Interest rate margin	Fixed rate	Maturity date	Interest Terms
Senior Secured Bonds (HMH02)	USD	-	-		9,88 %	Nov 2026	Fixed rate
Senior Secured Bonds (HMH03)	USD	200 000	195 636		7,88 %	Dec 2028	Fixed rate
Shareholder Loans	USD	143 732	143 732		8,00 %	Dec 2028	Fixed rate
Revolving Credit Facility 2023 (USD 50 million)	USD	-	-	3,75 %		May 2026	SOFR + Margin
Revolving Credit Facility 2025 (USD 75 million)	USD	-	-	3,00 %		Jun 2028	SOFR + Margin
<b>Total borrowings</b>			<b>339 368</b>				
<b>Current borrowings</b>			<b>-</b>				
<b>Non-current borrowings</b>			<b>339 368</b>				
<b>Total</b>			<b>339 368</b>				

### Reconciliation of liabilities arising from financing activities

<i>Amounts in USD thousands</i>	January 1, 2025	Non-cash effect <sup>1)</sup>	Net cash flows	Deferred interest	Amortization	Capitalized borrowing costs	December 31, 2025
Senior Secured Bonds (HMH02)	196 836	(11 800)	(188 200)	-	3 163	-	-
Senior Secured Bonds (HMH03)	-	11 800	188 200	-	-	(4 364)	195 636
Shareholder Loans	131 910	-	-	11 822	-	-	143 732
Revolving Credit Facility 2023 (USD 50 million)	14 427	-	(15 000)	-	75	498	-
Revolving Credit Facility 2025 (USD 75 million)	-	-	-	-	-	-	-
<b>Total</b>	<b>343 174</b>	<b>-</b>	<b>(15 000)</b>	<b>11 822</b>	<b>3 238</b>	<b>(3 866)</b>	<b>339 368</b>

<sup>1)</sup> The bond loan ("HMH02") (ISIN code: NO0013063495) of USD 200 million has been refinanced by an issue of a new bond loan ("HMH03") (ISIN code: NO0013700039) of USD 200 million in 2025. The amount of USD 11.8 million is total rollover from previous bond to new bond.

Refer to note 4.7 Borrowings in the Group's Consolidated Financial Statements for further details.

As at December 31, 2024

<i>Amounts in thousands</i>	Currency	Nominal currency value	Carrying amount (USD)	Interest rate margin	Fixed rate	Maturity	Interest Terms
Senior Secured Bonds (HMH02)	USD	200 000	196 836		9,88 %	Nov 2026	Fixed rate
Shareholder Loans	USD	131 910	131 910		8,00 %	Oct 2026	Fixed rate
Revolving Credit Facility 2023 (USD 50 million)	USD	15 000	14 427	3,75 %		May 2026	SOFR + Margin
<b>Total borrowings</b>			<b>343 173</b>				
<b>Current borrowings</b>			<b>14 427</b>				
<b>Non-current borrowings</b>			<b>328 746</b>				
<b>Total</b>			<b>343 173</b>				

### Reconciliation of liabilities arising from financing activities

<i>Amounts in USD thousands</i>	January 1, 2024	Net cash flows	Deferred interest	Amortization	Capitalized borrowing costs	December 31, 2024
Senior Secured Bonds (HMH02)	198 928	(2 469)	-	1 559	(1 181)	196 836
Shareholder Loans	119 587	-	12 323	-	-	131 910
Revolving Credit Facility 2023 (USD 50 million)	21 128	(7 000)	-	299	-	14 427
<b>Total</b>	<b>337 174</b>	<b>(9 469)</b>	<b>12 323</b>	<b>1 858</b>	<b>(1 181)</b>	<b>343 173</b>

Refer to note 4.7 Borrowings in the Group's Consolidated Financial Statements for further details.

## Note 9 Guarantees

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### Guarantee

Subsidiaries defined as material under the bond terms and facility agreement serve as guarantors for the fulfilment of payment of interest, principal and other specified costs for HMM Holding B.V. The security provided by each guarantor is limited to USD 600 million (2024: 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.

## Note 10 Trade and other payables

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As at December 31

Amounts in USD thousands

	2025	2024
Trade payables <sup>2)</sup>	62 348	77 161
Accrued interest	645	2 938
Accrued expenses for group overhead costs <sup>1)</sup>	7 201	1 868
<b>Total trade and other payables</b>	<b>70 195</b>	<b>81 967</b>

<sup>1)</sup> The short-term liabilities are based on expected future invoices from group companies and 3<sup>rd</sup> parties.

<sup>2)</sup> Trade payables include payables to related parties. See note 12 for more details.

## 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

The Company may have cash flow exposure towards its financial assets and liabilities, and may enter into financial derivative agreements to hedge these potential cash flow exposures. The majority of the monetary assets and liabilities are denominated in USD, hence the currency risk associated with the financial position is considered immaterial.

Refer to note 4.1 - Financial risk management and exposure in Group's Consolidated Financial Statements for further details.

### Interest rate risk

The Company is primarily exposed to interest rate risk on floating-rate balances within its treasury arrangements and cash-pool structure. The Company's main external borrowings and shareholder loans are fixed-rate instruments. Accordingly, the Company's cash flow interest rate risk is limited, while fixed-rate instruments are exposed to fair value interest rate risk. 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 the Company.

Refer to note 4.1 - Financial risk management and exposure in Group's Consolidated Financial Statements for further details.

### 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.

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 2025 or 2024.

Refer to note 4.1 - Financial risk management and exposure in Group's Consolidated Financial Statements for further details.

### As at December 31, 2025

<i>Amounts in USD thousands</i>	<i>Note</i>	<b>Carrying amount as at December 31</b>	<b>Total cash flow</b>	<b>6 months and less</b>	<b>6-12 months</b>	<b>1-2 years</b>	<b>2-5 years</b>	<b>More than 5 years</b>
Non-current borrowings <sup>1)</sup>	8	339 368	429 826	8 521	7 875	15 750	397 680	-
Trade payable and other current liabilities	10	70 195	70 195	70 195	-	-	-	-
Derivative financial instruments		521	521	207	313	-	-	-
<b>Total financial liabilities</b>		<b>410 084</b>	<b>500 542</b>	<b>78 923</b>	<b>8 188</b>	<b>15 750</b>	<b>397 680</b>	<b>-</b>

### As at December 31, 2024

<i>Amounts in USD thousands</i>	<i>Note</i>	<b>Carrying amount as at December 31</b>	<b>Total cash flow</b>	<b>6 months and less</b>	<b>6-12 months</b>	<b>1-2 years</b>	<b>2-5 years</b>	<b>More than 5 years</b>
Non-current borrowings	8	328 746	406 711	10 880	9 880	220 772	165 179	-
Current borrowings	8	14 427	15 350	15 350	-	-	-	-
Trade payable and other current liabilities	10	81 967	81 967	81 967	-	-	-	-
<b>Total financial liabilities</b>		<b>425 141</b>	<b>504 027</b>	<b>108 196</b>	<b>9 880</b>	<b>220 772</b>	<b>165 179</b>	<b>-</b>

<sup>1)</sup> The Group expects not to settle shareholder loans of USD 100 million (principal amount) prior to external debt, earliest maturity date is set to December 18, 2028. The loan is subject to an 8% interest rate p.a. which is deferred. See note 8 for further details.

## Note 12 Related parties

Transactions and balances with Group companies and related parties are described in the following notes:

<i>Amounts in USD thousands</i>	<i>Note</i>	<b>2025</b>	<b>2024</b>
Other revenue	2	16 932	19 943
Operating expenses	2	(13 089)	(17 810)
Finance income	3	5 385	6 085
Dividends received from subsidiaries	3	45 000	-
Finance expenses	3	(10 932)	(10 075)

### Statement of financial position

<i>Amounts in USD thousands</i>	<i>Note</i>	<b>December 31, 2025</b>	<b>December 31, 2024</b>
Investments	5	768 416	795 416
Receivables	7	75 265	143 008
Liabilities	7	203 875	203 127
Liability to shareholders		8 290	8 676

### Transactions with shareholders

The Company 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. For further details see note 7.3 - Related party transaction in the Group Consolidated Financial Statements.

### Transactions with key management

#### Board of Directors

Prior to appointment of Dwight W. Rettig on April 2, 2026, other than Mr. Rabun, the Board of Directors received no remuneration for being directors in 2025. The members of the Board of Directors have no loans, advanced payments, nor guarantees granted by the Company.

Refer to note 7.4 Management remuneration in the Group's Consolidated Financial Statements for details.

#### Policy for remuneration the Executive management

As at December 31, 2025, the executive management of HMH 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 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 the Company as at December 31, 2025, or 2024.

Refer to note 7.4 Management remuneration 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 33 companies around the world.

Refer to note 6.2 Group companies in the Group's Consolidated Financial Statements for details.

Any transactions between the Company and the subsidiaries are at arm's length. Transactions with subsidiaries are presented line by line in the Company's financial statements.

### Summary of transactions and balances with related parties in 2025

<i>Amounts in USD thousands</i>	<i>Akastor AS</i>	<i>Baker Hughes Holdings LLC</i>	<b>Total</b>
<b>Period January 1, 2025 - December 31, 2025</b>			
<i>Income statement</i>			
Net financial items	(1 986)	(8 232)	<b>(10 218)</b>
<b>Balance as at December 31, 2025</b>			
<i>Balance sheet</i>			
Related party note receivables current	1 544	-	<b>1 544</b>
Related party note receivable	4 697	4 654	<b>9 351</b>
Indemnification asset	19 848	-	<b>19 848</b>
Long term debt	31 261	112 471	<b>143 732</b>
Liability to shareholders	7 906	383	<b>8 290</b>

### Summary of transactions and balances with related parties in 2024

<i>Amounts in USD thousands</i>	<i>Akastor AS</i>	<i>Baker Hughes Holdings LLC</i>	<b>Total</b>
<b>Period January 1, 2024 - December 31, 2024</b>			
<i>Income statement</i>			
Net financial items	(1 686)	(7 616)	<b>(9 302)</b>
<b>Balance as at December 31, 2024</b>			
Related party note receivables current	1 500	-	<b>1 500</b>
Related party note receivable	4 339	4 299	<b>8 638</b>
Indemnification asset	18 355	-	<b>18 355</b>
Long term debt	28 143	103 767	<b>131 910</b>
Liability to shareholders	8 162	514	<b>8 676</b>

## Note 13 Subsequent events

See note 7.5 in the Group's Consolidated Financial Statements for details.

## Note 14 Change in presentation of the cashpool

In previous periods the Company has applied notional cash pool accounting, under which each entity recognized the cash portion it held in its own operational account within the cash pool. Upon reassessment of the contractual terms and the Company's rights and obligations in the arrangement, management concluded that the prior accounting treatment did not appropriately reflect the Company's presentation and classification of balances arising from the cash pool arrangement. Management determined that the correct accounting treatment is for the Company to recognize the full cash pool balance as its own cash and cash equivalents with corresponding intercompany receivables and payables recognized to reflect the net positions of the subsidiaries' sub-accounts within the cash pooling structure and to present balances in different currencies also separately. As a result, the correction affects the presentation of standalone balance sheet and cash flow line items only and has no impact on standalone profit or loss, equity, or cash generation.

This has been corrected by restating each of the affected financial statement line items for the prior period, which are mainly impacting the intercompany positions within receivables/payables to group companies and the cash position. The correction has no impact on the consolidated financial statements or key ratios, as the consolidated cash position, liquidity, and covenant metrics remain unchanged.

Going forward, management will enhance its monitoring of cash pool arrangements by periodically reassessing the contractual terms and practical operation of such arrangements to ensure continued consistency between the legal form, economic substance, and the applied accounting treatment, thereby reducing the risk of similar presentation errors recurring.

The following table summarizes the impacts on the HMH Holding B.V. stand-alone financial statements:

### Company financial statement as of December 31, 2024

<i>Amounts in USD thousands</i>	<b>As previously reported</b>	<b>Adjustment</b>	<b>As restated</b>
Investments in subsidiaries	795 416	-	795 416
Other non-current assets	65 064	-	65 064
Trade receivables and other current assets	-	1 303	1 303
Other receivables to group companies and related parties	26 081	12 488	38 569
Cash and cash equivalents	-	9 535	9 535
<b>Total assets</b>	<b>886 560</b>	<b>23 326</b>	<b>909 887</b>
Borrowings	196 836	-	196 836
Interest-bearing liabilities to shareholders	131 910	-	131 910
Liability to shareholders	8 676	-	8 676
Trade payables and other liabilities <sup>1)</sup>	17 040	64 927	81 967
Other current liabilities	14 427	-	14 427
Bank overdraft	41 601	(41 601)	-
<b>Total liabilities</b>	<b>410 490</b>	<b>23 326</b>	<b>433 816</b>
<b>Total group equity as of December 31, 2024</b>	<b>476 071</b>	<b>-</b>	<b>476 071</b>

<sup>1)</sup> Trade payables and other liabilities include Cash pool group company payable. See note 7 for more details.

Amsterdam, April 9, 2026  
Director of HMH Holding B.V.

\_\_\_\_\_  
Dwight W. Rettig  
(Board member)

## Other information

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### **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 122 - 132 of the annual report.

### **Signatures of the financial statements**

The Board of Directors have discussed and approved these financial statements for 2025 of HMM 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.

### **Branch offices**

The Group has branch offices in Baku, Azerbaijan that operate under the respective trade name MHWirth Azerbaijan.

The financial statements for the year ended December 31, 2025 of HMM Holding B.V. were authorized for issue by the Board of Directors on, April 9, 2026.



**Please contact us if you have any questions.**

HMH Holding B.V.

Tom McGee

Chief Financial Officer

[investorrelations@hmhw.com](mailto:investorrelations@hmhw.com)

For more information, please visit:

[investor.hmhw.com](http://investor.hmhw.com)



# 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 2025 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 at 31 December 2025 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 2025 of HMH Holding B.V., based in Amsterdam.

The financial statements comprise:

- 1 the consolidated and company statements of financial position as at 31 December 2025;
- 2 the following consolidated and company statements for 31 December 2025: the income statement, the statements of comprehensive income, changes in equity and cash flows; 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 7 million
- 0.85% of revenue

##### ***Company financial statements***

- Materiality of USD 5 million
- 0.60% of total assets

#### Group audit

- Performed substantive procedures for 87% of total assets
- Performed substantive procedures for 83% of revenue

#### Risk of material misstatements related to Fraud, NOCLAR and Going concern risks

- Fraud risks: the presumed risk of management override of controls and revenue recognition for products and spare parts sales have been identified.
- 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

- Revenue recognition –products and spare parts sales

### ***Materiality***

Based on our professional judgement, we determined the materiality for the consolidated financial statements at USD 7 million (2024: USD 7 million) and for the company financial statements as a whole at USD 5 million (2024: USD 5.3 million).

The materiality for the consolidated financial statements is determined with reference to the relevant benchmark, being 0.85% of the revenue. We consider revenue as the most appropriate benchmark because it is an important and stable metric for users of the financial statements.

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 includes the investment in the subsidiary, 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 325,000 and USD 240,000 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***

HMH Holding B.V. is at the head of a group of components (hereafter: "Group"). The financial information of this Group is included in the financial statements of HMH Holding B.V.

We performed risk assessment procedures throughout our audit to determine which of the Group's components are likely to include risks of material misstatement to the Group financial statements. To appropriately respond to those assessed risks, we planned and performed further audit procedures, either at component level or centrally. We identified 7 components associated with a risk of material misstatement. For 3 out of these 7 components, we involved component auditors. We as Group auditor audited the remaining components and tested centrally certain significant accounts: borrowings, goodwill and share-based payments. We set component performance materiality levels considering the component's size and risk profile.

We have performed substantive procedures for 83% of revenue (2024: 84%) and 87% of total assets (2024: 88%). At Group level, we assessed the aggregation risk in the remaining financial information and concluded that there is less than reasonable possibility of a material misstatement.

In supervising and directing our component auditors, we:

- held risk assessment discussions with the component auditors to obtain their input to identify matters relevant to the Group audit.
- issued Group audit instructions to component auditors on the scope, nature and timing of their work, and received written communication about the results of the work they performed.
- held meetings with component auditors in person and/or virtually to discuss relevant developments, understand and evaluate their work and attend meetings with local management.
- inspected the work performed by component auditors and evaluated the appropriateness of audit procedures performed and conclusions drawn from the audit evidence obtained, and the relation between communicated findings and work performed. In our inspection, we mainly focused on the presumed risks of management override of controls and revenue recognition for products and spare parts.

We consider that the scope of our Group audit forms an appropriate basis for our audit opinion. By performing the procedures mentioned above, we obtained sufficient and appropriate audit evidence about the Group's financial information to provide an opinion on the financial statements as a whole.



## ***Audit response to the risk of fraud and non-compliance with laws and regulations***

In the chapter 'Significant risks and uncertainties' of the Management Board report, the Management Board describes its 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 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, those charged with governance and other relevant functions, such as Internal Audit, Legal Counsel and Compliance. We have also assessed the Internal Audit reports and attended the Board of Directors and the Audit Committee meetings and/or read the minutes. We have also incorporated elements of unpredictability in our audit, such as integrating a new component (Hydril Pressure Controlling Arabia Limited in Saudi Arabia) into the scope.

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 and terrorist financing laws and regulations.
- Trade sanctions and export controls laws and regulations.

Our procedures did not result in the identification of a reportable risk of material misstatement in respect of non-compliance with laws and regulations.

Based on the above and on the auditing standards, we identified the following fraud risks that are relevant to our audit, including the relevant presumed risks laid down in the auditing standards, 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 revenue measured over time.

#### *Responses:*

- We evaluated the design and the implementation of internal controls that mitigate fraud, such as processes related to journal entries and estimates.
- As part of the fraud risk assessment, we evaluated relevant estimates and judgments for bias by the Company's management, including retrospective reviews of prior years' estimates with respect to management's judgments and assumptions.
- We performed a data analysis of journal entries to determine any potential high-risk criteria and performed procedures for any identified risk, including inspection of the source documentation to assess the validity of the business rationale and substantiation of corroborating evidence.



- We incorporated elements of unpredictability in our audit, integrating a new component (Hydril Pressure Controlling Arabia Limited in Saudi Arabia) into the scope.
- 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 appropriateness of all material manual and post-closing adjustments made during the consolidation process by reconciling them to supporting documentation.

### **Revenue recognition (a presumed risk)**

#### *Risk:*

We identified a fraud risk in relation to the recognition of revenue of products and spare parts sales. This risk inherently includes the fraud risk that management deliberately overstates revenue, in the cut-off period, as management may feel pressure to achieve planned results for the current year.

#### *Response:*

- We refer to our key audit matter: 'Revenue recognition – sales of products and spare parts'.

We communicated our risk assessment, audit responses and results to management 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**

Management has prepared the consolidated and company financial statements based on the going concern assumption. To evaluate management's use of the going concern assumption, we have performed, inter alia, the following procedures:

- 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 and inquired with the Board of Directors about underlying key assumptions and principles.
- We analyzed the financial position of the Company as at year-end and compared it to the previous financial year in terms of indicators that could identify going concern risks.
- 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.

The outcome of our risk assessment procedures did not give reason to perform additional audit procedures on management's use of the going concern assumption.

### **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 matters have been further narrowed to “Revenue recognition – sales of products and spare parts”.

## Revenue recognition – sales of products and spare parts

### Description

Products and spare parts revenue involve a high volume of transactions recognized at a point in time. There is a risk of fraud (risk of intentional shifting the revenue into a different period) related to the cut-off on the revenue stream for products and spare parts, specifically existence.

### 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 timely recognition of the products and spare parts towards year-end.
- We tested the revenue around year-end to ensure that the sales of products and spare parts are recognized in the correct accounting period by specific item testing or substantive sampling.
- 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. Based on our procedures performed, we found management’s recognition of revenue in the cut-off period to be appropriately supported. We consider the disclosures relating to revenue recognition, as included in note 2.1 in the consolidated financial statements, to be adequate.

## Compliance with Regulatory Technical Standard of SBR, including XBRL tagging, not audited

The statutory audit includes verifying that the prepared financial statements comply with the legal requirements under Title 9 of Book 2 of the Dutch Civil Code. Our audit opinion has been issued on the prepared financial statements and will be attached to the digitally filed annual report. This means that compliance with all requirements of the Regulatory Technical Standard within the SBR domain for the Trade Register (including the applied eXtensible Business Reporting Language (XBRL) tags) was not part of the statutory audit.

## 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 initially appointed by the General Meeting of Shareholders as auditor of HMH Holding B.V. on 13 December 2022, as of 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 during the statutory audit.

## **Description of responsibilities regarding the financial statements**

### ***Responsibilities of the 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 management 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 HMH Holding B.V.'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 HMH Holding B.V. 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 HMH Holding B.V.'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, 9 April 2026

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 HMH Holding B.V.'s internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors;
- concluding on the appropriateness of the Board of Directors' 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 HMH Holding B.V.'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 HMH Holding B.V. 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 responsible for planning and performing the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the financial statements. We are also responsible for the direction, supervision and review of the audit work performed for purposes of the Group audit. We bear the full responsibility for the auditor's report.

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.



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.