INTEROIL

2020 ANNUAL REPORT

CONTENT

BOARD ORGANIZATIONAL STRUCTURE

BOARD OF DIRECTORS

Chairman:	Hugo Quevedo
Board members:	Mimi K Berdal Nicolas Acuña German Ranftl Laura Mármol Carmela Saccomanno

Hugo Quevedo, Chairman. Mr. Quevedo graduated from Universidad de Buenos Aires in 1987 with a law degree, obtained a degree of Master of Laws (LLM.) at London School of Economics and Political Sciences, University of London, UK, in 1995, and in addition holds a Postgraduate Diploma in Global Business from the University of Oxford, Oxford, UK. He also attended courses on regulation of financial markets at King's College, London, financial law at Queen Mary & Westfield College, London, and energy law at the Centre of Petroleum of Energy, Petroleum and Mineral Law and Policy of the University of Dundee,
Dundee, Scotland. Mr. Quevedo has extensive experience in both the private and public sectors. He has advised public and private companies, banks and organizations in connection with cross-border and domestic corporate, energy and financial transactions, matters and litigation. He has represented companies in antitrust matters, M&A transactions and financing in a range of industries, including oil & gas, power generation and distribution, natural gas transport and distribution, mining, forestry, fishing, pharmaceutical, and retail, among others. In addition to court litigation, Mr. Quevedo has also acted in domestic and international commercial arbitrations, as counsel and as arbitrator, as well as expert witness in international investment treaty arbitrations. In the public sector, he served in different positions at the office of the President of Argentina, including Director General of Organization, and was advisor to several public officers, including Argentine Secretary of Energy.

Mimi K. Berdal, Board Member. Ms. Berdal runs an independent corporate counselling and investment business. She has extensive experience as board member of listed companies, including previous directorship in Rocksource ASA (Chairman), Renewable Energy Corporation ASA (Chairman), Gassco AS (Chairman) and Copeinca ASA. Ms. Berdal currently holds the directorship in several companies, such as Goodtech ASA (Chairman) and EMGS ASA (Chairman). She has previously served as a legal advisor with Total Norge and partner in the law firm Arntzen de Besche. Ms. Berdal holds a Cand.jur (law) degree from the University of Oslo.

Nicolas Acuña, Board Member. Mr. Acuña has over 28 years of experience in the oil and gas industry in Colombia in the finance and administrative areas. Actually, he is the Vicepresident of Finance and Planning for Canacol Energy in Colombia. Previously he worked for Cepsa Colombia as the Finance, Administration and IT Manager and held various senior management positions in Petrocolombia S.A., including Finance and Administration Manager and General Manager of an affiliate operating company. He holds an MBA from Inalde, a MSc in Engineering-Economic Systems from Stanford University and a BSc in Civil Engineering from the Universidad de los Andes

German Ranftl, Board member. German Ranftl is a Public Accountant from the University of Buenos Aires, graduating in 1990, and has a Master's in Business Administration from CEMA. He spent nearly 11 years in the banking sector, including eight years at ING Barings as a Vice President in Corporate Finance and Investment Banking, previous to that he had work for Bank of Boston. Since 1998 and for five years he was CFO of Supercanal SA, the third largest cable company of Argentina, with also operations in Spain, Bolivia and Dominican Republic. After that period of time he was Vice President of Integra Investment SA, a consulting firm with many international and Argentine transactions in M&A and Capital markets and debt restructuring. In 2007 he was appointed Chief Financial Officer of EDEMSA and restructured a debt of USD 160 million, consequently EDEMSA was part of a reverse take-over of a listed company in AIM London Stock Exchange, and German was CFO of that listed company for 11 years, mainly Andes Energia PLC was primarily operating EDEMSA and HASA, electrical distribution of Mendoza Province and oil areas in Argentina and Colombia, that have been acquired by International Bidding process. German has also participated in the exchange process of the Debt of Supercanal and the company was finally sold last year to an international player. As of today he is also working in the restructuring of the debt of EDEMSA with the regulatory Entity and has also participate in a new reverse take-over of Mercuria in Andes Energia PLC.

Laura Mármol, Board member. Ms. Marmol has served ten years as a corporate lawyer with Argentinian oil & gas companies¸ assisting in due diligence processes for potential mergers and in bidding processes for oil blocks awards. She has previously worked at several law firms in the City of Buenos Aires. Ms Marmol has completed the Non-Executive Director Program offered by the Institute of Directors, London, UK (2018) and the Financial Times Non-Executive Director Diploma, UK (2019) Ms Marmol holds a Bachelor´s Degree in Law from the University of La Plata, Province of Buenos Aires, Argentina (2007) and a Bachelor Degree in Certified Translation from the University of Buenos Aires, Argentina (2015).

Carmela Saccomanno, Board member. Miss Saccomanno is a qualified communications and institutional relations professional. She graduated from Austral University, Argentina, as a Bachelor in Media & Communications with a specialization in journalism. She has obtained her Master's Degree in Digital Management at Hyper Island, Teesside University, United Kingdom.
Ms. Saccomanno has completed her non-executive director studies at the Institute of Directors, United Kingdom. Miss Saccomanno has worked in communication strategies in different Oil & Gas and natural resources companies. She has experience in coordinating geographically distributed teams in remote collaboration through leadership skills and digital instruments.

MANAGEMENT ORGANIZATIONAL STRUCTURE

MANAGEMENT

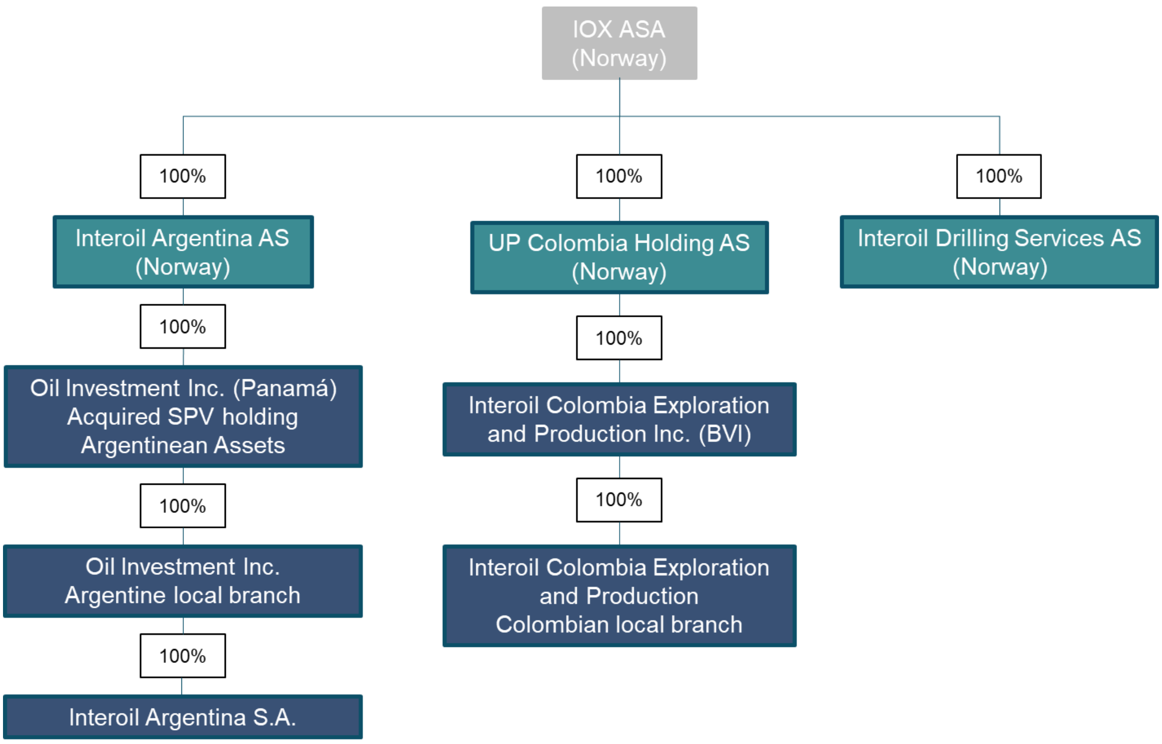
Chief executive officer: Leandro Carbone
General Manager: Francisco Vozza
Vice-President Energy Transition and Strategy: Juan Verde

Leandro Carbone, Mr. Carbone has been appointed Chief Executive Officer and brings over 20 years of experience in leading oil and gas projects. He started as a field engineer working for TOTAL for ten years in Europe, North Sea and Latin America. In recent years, Mr. Carbone has been a Latin American Executive Director for many private and public companies. He has extensive experience across Latin America and has been involved in a number of significant discoveries and transactions across Argentina, Peru, Bolivia and Colombia. Mr. Carbone is a Petroleum Engineer from Instituto Tecnologico de Buenos Aires.

Francisco Vozza, Mr. Vozza has been appointed General Manager in July 2020. His professional background includes more than a decade in corporate strategy and innovation related positions in Equinor, the Norwegian oil, gas and energy company; and a business development role in Scatec Solar, a global leader that builds, owns and operates solar power plants across emerging markets. Francisco Vozza is an Italian-Argentine citizen living in Norway, a graduate from California State University in Los Angeles, and he has an MBA from BI Norwegian School of Management.

**Juan Verde, **Vice-President Energy Transition and Strategy. Mr. Verde holds Master´s Degree in Public Administration from Harvard University and a Bachelor of Political Science and International Relations from Boston University. During the administration of President Obama, Juan served as Deputy Assistant Secretary for Europe and Eurasia at the United States Department of Commerce. In the private sector, Juan has advised multiple prestigious companies, such as Google, Cisco, SAS, Santander Bank in the United States, etc. Additionally, Juan has collaborated with diverse world-renowned institutions such as the Inter-American Development Bank, Harvard University and the World Bank. As a passionate defender of environmental causes, sustainability and the fight against climate change, Juan Verde collaborated with former Vice President Al Gore to establish and lead subsidiaries for his foundation "Climate Reality Project" in Spain and Argentina.

CORPORATE STRUCTURE



BOARD OF DIRECTORS' REPORT

HIGHLIGHTS

- Operated production decreased by 25% in 2020 (compared to 2019), because of lower oil prices and as a the shut-of all the Colombian fields plus the black oil fields in Argentina as part of the COVID-19 pandemic crisis. Interoil's EBITDAx in 2020 was USD -1.5 million, compared with USD 6,1 in the previous year. Decline is related to a lower production, and lower oil prices.
- In January 2020, Interoil acquired an 8.34 % participating interest in five exploitation concessions in the Santa Cruz region in Argentina. Interoil shall serve as operator of the concessions upon Government's approval to its capacity as operator, as of today Interoil is registered as operator nationwide and also in the province of santa cruz. Waiting for the authorities to change operator of Interoil. See financial statements note 20.
- On 16 January the Extraordinary Meeting of Shareholders approved the issuance 56,193,478 shares to Nordic Trustee for the benefit and allocation to the bondholders in consideration for the conversion into equity of 35% of the outstanding bonds.
- In April as a consequence of the COVID-19 pandemic and operational and economic consequences, dramatic drop of demand and market prices scenario, Interoil postponed all investment programs and also carried out a significant cost reduction in salaries, employees, contractual services, fees and operational expenditures in all operations and at the headquarters in Oslo aimed at trying to offset unfavorable conditions and put operations in breakeven.
- On April 2020 Interoil received a notification from Turgas, our sole gas off-taker for the Mana and Ambrosia fields, that excess pressure was building in some points of the main trunk line. This forced Interoil to shut in all producing wells in those fields, affecting not only gas but also oil production. On May 2020, Turgas notified Interoil that it would resume gas off-takings and Interoil restarted its deliveries accordingly
- On May 2020, Interoil decided to temporarily close production at Vikingo as it was not economically viable with the prevailing oil price.
- On July 27, Interoil announced the reopening of Vikingo's operation after its temporarily closure in May. Vikingo's production has reached a stable flow of 250 barrels of oil per day. This production represented a 25 per cent rate increase over Vikingo's production prior to its shut-in.
- On 16 July, Interoil announced an amendment to the bond terms and conditions incorporating flexibility in the payment of interest on the bonds which is to be settled in the next three interest payment dates (Jul-20, Jan-21 and Jul-21) half in cash and half in kind through the issuance of new bonds with equal terms and conditions of those outstanding.
- On June 8, Interoil declared and filed-in the commerciality of the Vikingo well with the E&P Colombian Authority ANH (Agencia Nacional de Hidrocarburos)
- On 17 July, Interoil appointed Mr Francisco Vozza as the new General Manager and also announced Mr Pablo Creta has resigned to his position as General Manager and CFO of the Company.
- On August 13, the Company approved the sale of the gas processing plant located in Houston, Texas, for an amount of USD 1.8 million, a transaction that will improve the Company´s cash position. This approval does

not entail an abandonment of the gas treatment project in Mana although a new plant will need to be set up at site

- On August 19, the national E&P Authority Agencia Nacional de Hidrocarburos (ANH) in Colombia granted an extension of 12 months for the LLA-47. This extension followed the one granted to the Company for its Altair license. The new expiration date of the exploration period for LLA-47 is 7 February 2022, while the new expiration date for Altair is 27 April 2021
- The Vikingo field in Colombia suffered a minor spill on October 30th, following the rupture of an inlet surface pump hose. The rupture was fixed, and remediation work is close to completion. Relevant authorities were notified.
- Oil and gas markets continue being affected by COVID-19. Oil and gas prices have shown some recovery in Q4 2020, but uncertainty remains high. Despite this challenging context, Interoil managed to re-open production to nearly pre-pandemic levels while navigating challenging logistics.
- In Colombia, the company has started preparations for drilling of one commitment well on the Altair license. Furthermore, farm-out negotiations are ongoing in license LLA-47 to support the financing of the drilling program.
- Interoil has continued its diligent and disciplined approach in its operations and in the management of its financial resources, reflecting the uncertainty in the market and the strains of the pandemic.

MAIN EVENTS SINCE YEAR-END

- Since end of December, several wells at Puli C have been shut in due to mechanical failure of equipment, reducing daily output with around 90 barrels of oil (bopd) and 220 barrels of oil equivalents per day (boepd) of gas. The company is mobilizing the necessary equipment to bring these wells back on stream by Q2 2021.
- In March 2021, the Company have announced a small private placement of new shares, the final number of shares which was subscribed and issued in the Private Placement is 7,265,576 shares at a subscription price of NOK 1.33 per share, resulting in gross proceeds of approximately NOK 9.7 million. The net proceeds from the Private Placement will be used for capital investments in the well farmed-out to SLS and Quantum Resources in Llanos area in Colombia.
- In Colombia, Interoil has signed a farm-out agreement with SLS and Quantum Resources for the drilling of the remaining committed exploratory well (Mazorca) in the Altair block. This agreement is subject to Interoil's obtainment of the funding required to meet its obligations under the farm-out agreement.
- In Colombia, Interoil has signed a participation agreement with SLS and Quantum Resources for the drilling of up to two exploration wells in LLA-47, namely Jaca.x-1 and Malevo.x-1. This agreement is subject to Interoil's obtainment of the funding required to meet its obligations under the agreement.
- In April 2021, the Company is announcing an offering of new shares in the Company with gross proceeds of up to NOK 37 million. The Share Issue is directed towards Norwegian investors and international institutional investors pursuant to and in compliance with applicable exemptions from relevant registration, filing and prospectus requirements, and subject to other applicable selling restrictions. The minimum subscription amount in the Share Issue will be NOK 10,000.
- In Argentina, Interoil has signed in 2021 an agreement with Velitec S.A. to invest in the re-opening of 15 wells in the Mata Magallanes Oeste (MMO) oil field, including the reconditioning of the nearby dispatch battery at the Las Mesetas #3 (LM#3), located within Las Mesetas Field treatment facility (currently owned and operated by YPF). This agreement states that Velitec S.A. funds the complete investment (transportation, equipment, payroll and all the work required in the wells) and receives 50% (net from royalties) of the monthly production till it recoups the whole investment. From there onwards, Velitec S.A. will receive, as a Plus, 25% of the monthly production (net from royalties) till it recoups another 65% of the prior investment.Since the actual production of MMO is 15 bopd, the agreement will allow producing 150-180 bopd.

KEY FIGURES

	2020	2019*
WI Production daily average (boepd)	832	963
Reserves WI 2P (million boe)	3.0	2.7
Amounts in USD million		
Revenues	8.9	16.4
EBITDAx (Adjusted for exploration expenses, administrative expense & other income/(expenses))	-1.5	6.5
Operating profit	-9.6	-5.4
Exploration expenses	1.0	3.0
Net loss for the year	13.8	9.4
Total assets	35.1	41.5
Interest-bearing debt	24.9	41.0
Cash and cash equivalents (restricted and non-restricted)	3.7	4.8

* Some figures reported in 2019 changed due restatement of financials, see note 5 on Consolidated Financial Statements.

INTEROIL'S BUSINESS

Interoil is an independent oil & gas exploration and production company, currently operating in Colombia and Argentina and headquartered in Oslo. Interoil is involved in the acquisition, exploration, development and operation of oil and natural gas properties. Interoil serves either as an operator or as an active license partner in a number of production and exploration assets in Colombia and Argentina.

Interoil's portfolio consists of two producing licenses and two exploration licenses in Colombia and one exploration and seven production concessions in Argentina. The licenses in Colombia have been acquired through company acquisitions and bid-rounds for licenses. The licenses in Argentina in the provinces of Chubut and Jujuy were acquired through a share purchase agreement with the previous owner while the Santa Cruz Assets were acquired through an asset purchase agreement.

Interoil has oil and gas production in Colombia and Argentina, and part of the Group's strategy is to extract value from its exploration and explotation licenses in Colombia and Argentina and use the proceeds to develop these assets and/or acquire new ones.

Interoil is focused on strengthening its operations in Colombia and Argentina where the current asset portfolio contains a large inventory of underdeveloped producing fields combined with exploration projects of high quality and potential:

License	Interest	Partners	Field information
Colombia			
Puli C	70 %	Ecopetrol	Production Onshore
Vikingo	78%	SLS/Quantum	Production Onshore
Altair	90 %	Erazo Valencia SA	Production/Exploration onshore
LLA-47	100 %		Production/Exploration onshore
Argentina			
Mata Magallanes Oeste	80 %	Petrominera / Selva María Oil	Production/Exploration onshore
Cañadon Ramirez	80 %	Petrominera / Selva María Oil	Exploration onshore
La Brea*	80 %	JEMSE / Selva María Oil	Production/Exploration onshore
Chorrillos*	8.34%	Echo Energy / IOG Resources	Production/Exploration onshore
Campo Bremen*	8.34%	Echo Energy / IOG Resources	Production/Exploration onshore
Oceano*	8.34%	Echo Energy / IOG Resources	Production/Exploration onshore
Moy Aike*	8.34%	Echo Energy / IOG Resources	Production/Exploration onshore
Palermo Aike*	8.34%	Echo Energy / IOG Resources	Production/Exploration onshore

* In those Argentina Licenses Interoil will operate once approved by local regulators, The Company expects approval to be received by the end of 2021.

OPERATIONS

Colombia

According to the Hydrocarbon National Agency (ANH), Interoil is one of the few operating companies with technical capabilities to explore and operate unlimited number of blocks and fields.

Puli C

The Puli C block is placed in the Middle Magdalena Valley basin along the central Magdalena River where several existing fields are on production within the block (Mana, Ambrosia and Rio Opia). Even though contractual obligations are already met, Interoil sustains production at the block applying different artificial lifting techniques aimed at reducing flowing pressure at the reservoir. Currently Interoil is building a dynamic reservoir model to evaluate the most appropriate Enhanced Oil Recovery (EOR) techniques to increase fields' recovery factor as well as developing nearby potential oil accumulation within the block contractual boundaries.

LLA-47

The block was awarded in 2010. At present the Company is committed to drilling nine additional exploratory wells in this block. After completing a detailed thoughtful study process combing the acquired 3D seismic information with detailed surface geochemistry report and re-evaluating petrophysical data from the two pre-existing Lince wells, Interoil was able to identify and map the Vikingo structure. In 2017, Interoil drilled the Vikingo.x-1 exploratory well leading to a successful discovery of neat naturally flown dry oil. Since then, Interoil has been working in mapping new opportunities within the eastern section of the block leading to, potentially, more than 20 million barrels of resource ("best" estimate of Prospective Resources) spread out among different structures. The potential of LLA-47 is further supported by the fact that the license is situated in an area with prolific neighbouring oil fields. Interoil plans to continue the exploration activity by drilling additional exploration wells aimed at untapping the prolific potential laying underneath the LLA-47 acreage.

Altair

The block is placed in the Llanos Basin at approximately 5 km north of LLA-47. Currently, the block is fully covered with 3D seismic, detailed surface geochemistry and holds only one positive exploratory well, the Altair.x-1, together with four (Mizar.x-1, Purita.x-1 Colirojo.x-1 and Turaco.x-1) dry exploratory wells and Altair-2 as a development well (drilled after the Altair discovery). Interoil has already completed a detailed geological model in the westerly section of the Altair block using reprocessed 3D seismic data, and geological and petrophysical records gathered from the six existing wells, leading to a promising structure, named Guyra with two interesting exploration objectives: (i) the Gacheta and (ii) the Carbonera formations (this one was the main target in all the previous wells). Interoil plans to drill the Guyra.x-1 well in the near future after approval is granted by the ANH.

Argentina

Mata Magallanes Oeste (MMO)

This is an exploitation concession located in the western flank of the prolific Golfo San Jorge basin in the south of Argentina. When acquired, this field came with 3D seismic and a total of 45 wells drilled between the 70's and late 80's by YPF (Argentine State Oil Company) where 32 have been completed as producers. Interoil plans the downhole intervention of two wells to leave them as fuel-gas wells so as to allow oil production to flow by using this fuel-gas for moving surface equipment at the site. For further details see Upcoming Operations in Argentina.

Cañadón Ramírez (CR)

This exploration block is adjacent and partially surrounding by the MMO field making an interesting business unit. This block is fully covered with 3D seismic plus 22 exploratory wells (where most of them have either oil and/or gas Interoil Exploration and Production ASA – National Prospectus 9 shows when drilled). The exploration commitments in this block are 20,000 samples of geochemistry (15,000 samples are under analysis) and the reprocessing of the 3D seismic. Interoil plans for this block is to follow the same evaluation strategy as in the Colombia Blocks (Altair & LLA-47): integrate MMO & CR reprocessed 3D seismic, surface geochemical surveys and petrophysical re-evaluation from the existing wells to then modelled a complete and coherent geological model for the area aimed at explaining the hydrocarbon indications from the existing wells to further define the appropriate exploration/development strategy for either of the blocks.

La Brea

This exploitation contract is placed in the Northwest Basin 20km east from the Caimancito field (peak producing record in Latin America). The block is partially covered with old regional 2D seismic lines plus 10 old producing wells (between 1930 to 1950) in "La Brea Este" field (LBE) and one exploration well (EO.x1001 in 1998) aimed at evaluating "El Oculto" (EO) structure with inconclusive results due to a series of mechanical failures while testing the well. There are no exploration commitments in this block. Nevertheless, Interoil plans to intervene at least one well in LBE field to prove if the "Caimancito" petroleum system extends to this region of the Basin. Should this work bring positive results then a specific activity would be define aimed at further developed LBE field.

Santa Cruz Fields (SC)

These exploitation contracts are located onshore in the portion of the Austral basin within the Santa Cruz province. Interoil operates 13 producing fields with 2D regional seismic plus different 3D seismic vintage. Such fields contain 42 oil and 30 gas wells located in five exploitation concession contracts covering more than half a million acres. Current production is coming from the Springhill formation with some wells also flowing from the Tobifera formation where there is no exploration commitment pending in any of these assets. There are many exploration projects identified by previous operators highlighting the assets' hydrocarbon potential within the existing boundaries of these concessions. However, Interoil has only recently acquired these assets and is still in the process of reviewing (QA/QC) geophysical and petrophysical data to then start working in an integrated geological model aimed at explaining how the petroleum system behaves among these assets, especially due to the acreage extension. Once Interoil has gained reasonable exploration insight on each producing field, then the Company would define a coherent exploration / development strategy.

Annual statement of reserves

The Company's Annual Statement of Reserves (ASR) has been prepared in accordance with the Oslo Stock Exchange listing and disclosure requirements. Reserves and contingent resources have been certified by SGS Nederlands BV. And for Gaffney Cline & Associates Inc, an independent third parties.

As of 31st December 2020, the WI 2P reserves were estimated to be 3.04 million barrels of oil equivalent (MMboe). Note 34 to the annual accounts includes a detailed review of the reserves and resources. The full ASR is available for download from the Company's website: The ASR is not audited by PricewaterhouseCoopers.

Production and sales

Production and sales in barrels

	2020	2019
Production		
Working interest, barrels	167.873	211.124
Working interest, gas (boe)	135.844	140.266
Royalty	(19.270)	(22.403)
Total Working Interest production in barrels	**284.447**	**328.987**
Sale of oil in barrels		
Sale of oil, barrels WI	161.294	165.641
Oil royalties sold	1.045	35.723
Total oil sold barrels	**162.339**	**201.364**
Sale of gas (boe)		
Sale ofgas, (boe) WI	121.699	122.312
Gas royalties sold	7.072	8.977
Total gas sold barrels (boe)	**128.771**	**131.289**
Total Working Interest Barrels sold	**291.110**	**332.653**

FINANCIAL OVERVIEW (Group) Consolidated financial statements.

Continuing Operations

Average production decrease from 963 boepd in 2019 to 832 boepd in 2020 mainly related with the COVID-19 pandemic.

EBITDA (completely adjusted) was USD -1,5 million in 2020 compared to USD 6,1 million in 2019. Depreciation and amortization decreased from USD 7,6 million in 2019 to USD 7,1 million in 2020.

Interoil recorded an operating loss of USD 5.3 million for 2019, and USD 9,6 million in 2020 in line with revenue decrease.

Exploration expenses was for USD 3,0 million in 2019 and 1.0 million in 2020. Administrative expenses have been reduced from USD 3,6 million in 2019 to USD 2,6 million in 2020, reflecting the benefit of cost cutting programs.

Interoil recorded a net financial loss of USD 3,8 million for 2019, compared to net financial loss of USD 4,3 million for 2020.

Income tax expense was USD 0,2 million for 2019 and 0,08 million of tax in favour in 2020.

The Group reported a net loss for the year of USD 13,8 million, compared to the net loss for the year 2019 of USD 9,4 million.
Total assets amounted to USD 35,1 million, compared to USD 41,5 million in 2019. This decrease results primarily from amortization and impairment.
Cash at end of the year was USD 3,7 million, of which USD 3 million was restricted relating to cash collaterals for guarantees and loans in Colombia. Additional USD 1,7 is classified as other non-current assets.
Interest-bearing debt decreased from USD 41 million in 2019 to USD 24,9 million at the end of 2020 including the bond loan conversion.

PARENT COMPANY ACCOUNTS

The profit and loss account for the period for the parent company, Interoil Exploration and Production ASA, showed a net loss of USD 36,2 million for 2020 compared to a loss of USD 2,0 million in 2019, the variation is due to the impairment on intercompany receivables.
The parent company's equity was USD 1,3 million as of December 31, 2020, and USD 19,5 million as of December 31, 2019, the variation is related with shares issued and the year result.
The Board of Directors proposes that the loss for the year of USD 36,2 million be transferred to other equity.

OIL AND GAS INDUSTRY RISK

An investment in a Company into this industry involves a high degree of risk due to the nature of the Company's business of the exploration and production of oil and natural gas. The Company considers the risks set out below to be the most significant to potential investors in the Company, but this list does not contain all of the risks associated with an investment in the Company. If any of these risks materialize into actual events or circumstances or other possible additional risks and uncertainties of which the Company is currently unaware or which it considers not to be currently material in relation to the Company's business actually occur, the Company's assets, liabilities, financial condition, results of operations (including future results of operations), business and business prospects are likely to be materially and adversely affected.

The risk factors included below, are as of the date of this financials, and are presented in a limited number of categories, where each individual risk factor is sought placed in the most appropriate category based on the nature of the risk it represents. Within each category the risk factors deemed most material for the Group, taking into account their potential negative affect on the Company and its subsidiaries and the probability of their occurrence, are set out first. This does not mean that the remaining risk factors are ranked in order of their materiality or comprehensibility, nor based on a probability of their occurrence. The risks mentioned herein could materialise individually or cumulatively.

Risks related to the Shares

The trading price of the Shares may be subject to large fluctuations, which may result in losses to investors. The trading price of the Shares may increase or decrease in response to a number of events and factors, including: the COVID-19 pandemic; the price of oil and natural gas; the Group's financial condition, financial performance and future prospects; the public's reaction to the Group's news releases, other public announcements and the Company's filings with the regulatory authorities; changes in earnings estimates or recommendations by research analysts who track the Common Shares or the securities of other companies in the oil and natural gas sector; changes in general economic conditions and the overall condition of the financial markets; the number of Common Shares that are publicly traded; the arrival or departure of key personnel; and acquisitions, strategic alliances or joint ventures involving the Company or its competitors, among others.

Shareholders not participating in future offerings may be diluted: Unless otherwise resolved or authorised by the general meeting, shareholders in Norwegian public companies such as Interoil have pre-emptive rights proportionate to the aggregate amount of the Shares they hold with respect to Shares issued by the Company. For reasons relating to US securities laws (and the laws in certain other jurisdictions) or other factors, US investors (and investors in such other jurisdictions) may not be able to participate in a new issuance of Shares or other securities and may face dilution as a result.

Norwegian law may limit shareholders' ability to bring an action against the Company: The rights of holders of the Shares are governed by Norwegian law and by the Articles of Association. These rights may differ from the rights of shareholders in other jurisdictions. In particular, Norwegian law limits the circumstances under which shareholders of Norwegian companies may bring derivative actions. For instance, under Norwegian law, any action brought by Interoil in respect of wrongful acts committed against Interoil will be prioritized over actions brought by shareholders claiming compensation in respect of such acts. In addition, it may be difficult to prevail in a claim against the Company under, or to enforce liabilities predicated upon, securities laws in other jurisdictions.

COVID-19 Pandemic

The ongoing COVID-19 pandemic has had, and could continue to have, a negative impact on Interoil's financial condition, results of operations, and cash flows. The COVID-19 pandemic and the measures imposed by governments in response thereto have resulted in, and may continue to result in: a reduction in the demand for and price of oil and natural gas products; business closures and shutdowns; travel restrictions; volatility and disruption in regular business operations; operating restrictions and civil unrest in the communities in which the Company operates; voluntary production shutdowns to limit the spread of COVID-19; increased volatility in financial markets and foreign currency exchange rates; reduced labour capacity; and supply shortages. The impact of the COVID-19 pandemic and related supply-demand market imbalances continues to evolve. The risk of resurgence of cases or variant strains of COVID-19 remains high and the timing and delay in vaccine rollouts remain uncertain. Consequently, this may result in further volatility in the price of oil and natural gas products.

The extent to which such events impact the Company's business, financial condition and results of operations will depend on future developments, which are highly uncertain and cannot be predicted with any degree of confidence. Such events have had and could continue to have a material adverse effect on the Company's business, financial condition and results of operations. Even after the COVID-19 pandemic has subsided, the Company may continue to experience materially adverse impacts to its business as a result of the pandemic's global economic impact, and amplify various risks set forth herein.

Commodity price volatility

Natural oil and gas prices are unstable and are subject to fluctuation. Lower prices for oil and gas may reduce the profitability of production of oil and gas. Interoil's results of operations are significantly affected by prevailing oil and gas price levels, and any material decline in prices could result in a reduction of the Group's net production revenue and overall value, potentially leading to write-downs. Further, the economics of producing from some of the Group's wells and assets may change as a result of lower prices which may result in a reduction in the volumes of the Group's reserves. Lower prices may also cause production in certain wells to become financially unviable, which in turn may lead to Interoil electing not to produce from such wells. Any of the aforementioned could result in a material decrease in the Group's net production revenue and overall value. The ability to finance development and fulfil financial obligations could also be affected by low oil and gas prices.

Global financial conditions In recent years have been subject to increased volatility. Market event conditions, including global excess oil and natural gas supply, actions taken by the Organization of Petroleum Exporting Countries ("OPEC"), market volatility and sanctions imposed on certain oil producing nations by other countries have caused a significant decrease in the Oil market and hence in valuation of oil and gas companies, affected equity investor sentiment and decreased market confidence in the oil and natural gas industry in general. If these conditions were to continue and commodity prices remain volatile, this may have an adverse effect on the Group's business, financial condition or results of operations. Brent prices fell an average of 34,7% worldwide, causing a decrease on the turnover of every business from the E/P industry.

Competition

The oil and natural gas industry is intensely competitive, and particularly intense in the acquisition of prospective oil and natural gas properties and oil and gas reserves The Group's competitive position depends to a large degree on its geological, geophysical and engineering expertise, its financial resources, and its ability to select, access, and develop proved reserves.

Political and regulatory risk

Interoil is a Norwegian oil and gas exploration and production company operating in Colombia and Argentina, and the Company has consolidated subsidiaries registered in Norway, Colombia, Argentina, Panama and the British Virgin Islands. Thus, the Group's operations are subject to laws and regulations in several countries, including laws and regulations relating to the equipment and operation of drilling units, currency conversions and repatriation, oil and natural gas exploration and development, taxation of earnings and earnings of expatriate personnel, the use of local employees and suppliers by foreign contractors and duties on the importation and exportation of units and other equipment. Due to the Group operating in several jurisdictions, the risk of non-compliance with any applicable legislation is increased. There can be no assurance that the Group's understanding of applicable laws and regulations in the jurisdictions in which it operates is correct. If applicable laws or regulations change or relevant authorities do not agree with the Group's interpretation of prevailing laws and regulations, this could have a material adverse effect on the Group's business, results of operation and financial condition.

Environmental risk

All phases of the oil and natural gas business present environmental risks and hazards and are subject to environmental regulation pursuant to a variety of international conventions and state and municipal laws and regulations. Environmental legislation provides for, among other things, restrictions and prohibitions on spills, and releases or emissions of various substances produced in association with oil and gas operations. The legislation also requires that wells and facility sites are operated, maintained, abandoned, and reclaimed to the satisfaction of applicable regulatory authorities. Compliance with such legislation can require significant expenditures and a breach may result in the imposition of fines and penalties, some of which may be material. Environmental legislation is evolving in a manner expected to result in stricter standards and enforcement, requirements for reduced emissions from operations, larger fines and liability, and potentially increased capital expenditures and operating costs. The discharge of oil, natural gas or other pollutants into the air, soil or water may give rise to liabilities to foreign governments and third parties and may require the Group to incur costs to remedy such discharge. Consequently, there is a risk that environmental laws may result in a curtailment of production or a material increase in the costs of production, development or exploration activities or otherwise adversely affect the Group's financial condition, results of operations or prospects.

FINANCIAL RISK

The exploration and development of hydrocarbon reserves are highly capital intensive and are associated with considerable uncertainty in terms of the relationship between budgeted costs and actual costs. The Group may therefore, from time to time, experience that the actual costs of one or more of its developments and/or undertakings are materially higher than the projected costs.
The Group may also be required to make substantial capital investment for the acquisition of oil and gas reserves in the future.

The Group may require additional funding in the future to cover working capital and investment needs for future development and growth. There can be no assurance that the Group will be able to obtain necessary funding in a timely manner and on acceptable terms. Should the Group not be able, at any time, to obtain the necessary funding in a timely manner and on acceptable terms, the Group may be forced to reduce or delay capital expenditure or sell assets or businesses at unanticipated times and/or at unfavourable prices or other terms, or to seek additional equity capital (having a dilutive effect on existing shareholders) or to restructure or refinance its debt. There can be no assurance that such measures would be successful or would be adequate to meet debt and other obligations as they come due, or would not result in the Group being placed in a less competitive position.

Indebtedness

The Group has a significant level of debt, but it's bondholders have always supported every restructuring decision and bond terms extension, trusting the management's advisory, skills and knowledge on the industry.

Defaults and insolvency of subsidiaries

The main operations of the Company are conducted through its subsidiaries in South America and a bank facility is secured on the Colombian assets. In the event of insolvency, liquidation or a similar event 16 relating to one of the Company's subsidiaries, all creditors of such subsidiary would be entitled to payment in full out of the assets of such subsidiary before the Company, as a shareholder, would be entitled to any payments. Defaults by, or the insolvency of, certain subsidiaries of the Company could result in the obligation of the Company to make payments under parent financial or performance guarantees in respect of such subsidiaries or the occurrence of cross defaults on certain borrowings of the Company or other group companies. Additionally, the Company or its assets may become directly subject to a bankruptcy or similar proceeding initiated against a subsidiary. There can be no assurance that the Company and its assets would be protected from any actions by the creditors of any subsidiary of the Company, whether under bankruptcy law, by contract or otherwise. All material subsidiaries of the Company serve as collateral under the Company's current bond loan, and should the Company default on its obligations under this bond loan, the lenders may choose to accede their collateral in these companies.

Currency risk

The Group operating activities are currently based in Colombia and in Argentina, and is, to some extent, exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the following currencies: NOK, USD, ARS and COP. Revenues are invoiced to the customers in USD (although collection in Argentina is made in ARS) while operating expenses are mostly denominated in USD, NOK, ARS and COP. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and the investment of excess liquidity. Currently, the Group uses no derivative financial instrument to hedge the above mentioned risk exposure.

Further information regarding financial risk factors and management is described in notes in the financial statement.

BUSINESS CRITICAL CONTRACTS

Critical agreements include the licenses and agreements entered into with the relevant authorities, and the other agreements entered into for the fulfillment of commitments assumed by the Company and which violation exposed the Company to substantial liabilities.

In the case of Colombia, existing commitments arise out of the licenses entered into with the ANH in relation to the Altair and the LLA-47 blocks.

With regard to the Altair block, Interoil is the operator and holds 100% of the title to this exploration block. The Company is required to drill one well by 27 April 2021. Interoil has entered into a participation agreement with SLS and Quantum Resources, both Colombian companies, whereby Interoil shall assume 50% of the investment costs for the drilling of the well and SLS and Quantum Resources shall provide the funding of the remaining 50%. Should the well result in a dry well each party shall bear the respective losses and the Company shall have no liability whatsoever to SLS or Quantum Resources for reimbursement or compensation of invested amounts. If the drilling results in a discovery, 100% of the production shall initially be allocated to repay the investments made by each party and once such repayment is done, the future production shall be allocated among the parties in accordance with their respective working interests (WI) of 22% for SLS/Quantum Resources and 78% for Interoil. Drilling of the well shall be made pursuant to a drilling agreement to be entered into by Interoil, who shall at all times continue to be vested with 100% of the title to the block and shall remain operator under the license. Satisfaction of the pending commitment shall require completion of the undertakings and obligations of Interoil and SLS and Quantum Resources under the participation agreement as well as of the company that shall perform the drilling of the well. No assurance can be given that any such obligations shall be met in full as and when required to meet Interoil's obligations vis-àvis the ANH.

Interoil is the operator and holds 100 % working interest of the LLA-47 exploration block. Interoil has combined phase 1 and phase 2 of the license agreement and has commitments to drill 10 wells with estimated costs of USD 30 million. The ANH has agreed to change the work requirements to 10 wells (one of which has already been drilled -Vikingo.x-1-) and 4,098 geochemistry samples in replacement of well coring and other exploration well activities (already fulfilled).
The final exploration phase at LLA-47 ends on 7 February 2021 and the production phase ends 24 years after a commercial declaration of a well is made before the ANH. To keep LLA-47 until the end of the exploration phase, Interoil must: (1) conduct the activities committed for the first and second exploration phase (of which the drilling of nine exploration wells are pending), and (2) have in place bank guarantees -with the possibility of partially providing an insurance- in respect of the required amounts (already fulfilled).
According to the LLA-47 exploration contract, Interoil is required to drill nine more exploration wells by or before 7 February 2022. From a pure operational standpoint, the timing involved in drilling one exploration well would be around 10 to 15 days (depending on the formation target depth) plus 10 to 15 days to move the drilling rig from one well to the following one should all civil works (access roads and well site location) be ready. Hence material challenges lay on construction work, particularly when building access roads and well site locations, where construction is challenging especially when the Meta river floods the area during the rainy season (May-November). Once roads and well site locations are built, then operations can run 7/24 (seven days a week – 24 hours a day) where trucks would bring equipment and material as well as take any oil production for sale. In addition, each drilling and related construction are subject to a previous mandatory engagement with local communities aimed at informing the affected communities and securing the local acceptance for the project.
Interoil has entered into a participation agreement with SLS and Quantum Resources for the drilling of two wells (Malevo.x-1 and Jaca.x-1), subject to the obtainment by Interoil of the required funding. Under such farm-out agreement Interoil shall assume 40% of the investment costs for the drilling of the wells and SLS and Quantum Resources shall provide the funding of the remaining 60%. In exchange, SLS and Quantum shall gain a 22 percent equity interest in any production flowing from any of these wells. Should any well result in a dry well each party shall bear the respective losses and the Company shall have no liability whatsoever to SLS or Quantum Resources for reimbursement or compensation of invested amounts. If the drilling results in a discovery, 55% of the results of the production shall be allocated to repay the investments made by each party and the remaining 45% shall be distributed according to the equity interest (78% for Interoil and 22 for SLS/Quantum). Following full repayment of investments any further results from production shall be allocated 78% to Interoil and the 22% balance to SL/Quantum Drill. Drilling of the wells shall be made pursuant to a drilling agreement to be entered into by Interoil, who shall at all times continue to be vested with 100% of the title to the block and shall remain operator under the license. Satisfaction of the pending commitment shall require completion of the undertakings and obligations of Interoil and SLS and Quantum Resources under the participation agreement as well as of the company that shall perform the drilling of the well. No assurance can be given that any such obligations shall be met in full as and when required to meet Interoil's obligations vis-à-vis the ANH.
If Interoil fails to meet the drilling commitments pending, Interoil shall be liable to the ANH for the amount of the commitments that were not met. Failure to meet the drilling commitment may result from lack of funding by Interoil, failure of contractors to carry out drilling when and as due, other actions road blocking the ability of Interoil to secure the required constructions for the drilling project (e.g. community opposition), among others. No assurance can be given that no material adverse condition may affect Interoil preventing the Company to meet any of its pending commitments. In the event that the ANH resolves to terminate the contract because Interoil has not fulfilled its exploration commitments in LLA47 such termination would lead to loss of LLA-47 licenses (but should not affect the wells discovered that have been transformed into exploitation concessions) and could have a material adverse effect on Interoil's business, financial condition, operating results and/or cash flows.
Interoil is the operator and holds a 70% interest in the Puli C block through a contract with Ecopetrol, who retained the remaining 30%. In March last year, Ecopetrol assigned the contract to Hocol (a sister company) as its representative entity in the contract and since then Hocol has been managing the Puli C with Interoil. This contract includes three existing fields (Mana, Ambrosia and Rio Opia) plus some exploration acreage all around them. Even though contractual obligations are already met, Interoil sustains production at these fields by applying different artificial lifting techniques aimed at optimizing the extraction of the ultimate hydrocarbon accumulation. Prior to executing any work in any of these three fields, Hocol's written approval is required so as to enable Interoil to then issued a "cash-call" to Hocol for the 30% participation interest to cover the approved field work. This approval process takes place through Operating Committee Meetings (OCM) every month for

the months ahead. Failure in the preapproval process could expose Interoil to be the sole responsible in financing 100% of the work program. Likewise, prior to the end of every year, Interoil is required to prepare a budget for the following year that must be approved by Hocol. Interoil must operate the fields in accordance with the approved budget. Should a budget operation exceed by 10% of its approved value then Interoil runs the risk to fully fund the operation. Finally, the Puli C contract expresses that in the event that the operator underperforms its duties Hocol could remove the operator and even call the contract for termination. Termination of the contract or removal of the Company as operator could adversely affect Interoil.

In Argentina, Interoil holds different participating interests, including minority interests, in exploitation concessions and exploration contracts, has the right to act as operator (upon authorization of the Governmental authorities) in all the blocks and pending its formal appointment as operator maintains an active role in the operations. In all such contracts and concessions other parties also hold participating interests. Interoil and other parties are parties under joint operating agreements or joint agreements governing their relationship. The contracts and concessions impose obligations on the parties to provide their contributing share in the funding of common expenses for joint operations. Expenses are subject to approval by the parties before the field work or services and/or exploration investment is committed. This approval, including the approval of the annual budget, is typically obtained through the Operating Committee Meetings (OCM) held by the contractual partners. Failure in the pre-approval process and/or in the executing a program in the field could result in field operational and other issues (i.e. blow-out in an exploration well, fire in a gas treatment plant, oil spills, etc), in substantial losses and in violations of the regulatory or contractual obligations vis-à-vis Governmental authorities or instrumentalities. In addition, failure of a party to provide the required funding may also affect the operations and the satisfaction of obligations as and when due and may adversely affect also other parties, including Interoil, irrespective of whether such parties have discharged its obligations properly. This risk is higher where Interoil holds a minority participating interest as it is the case of the SC concessions. Upon formal appointment by Interoil as operator under the relevant joint operation agreements a failure of the operator to discharge its obligations as and when required may expose such operator to liabilities and possible removal. No assurance can be given that any such obligations under the concessions, contracts and joint operating agreements shall be met in full as and when required and that any possible infringement may not result in material adverse consequences for the Company.

Other than as set out above, the Company has not entered into any business critical contracts, other than contracts entered into in the ordinary course of business, to which the Company is a party, for the three years immediately preceding publication of this Prospectus as well any other contract (not being a contract entered into in the ordinary course of business) entered into by the Company which contains any provision under which the Company has any obligation or entitlement that is material to the Company as at the date of this Prospectus.

EVENTS AFTER THE BALANCE SHEET DATE

It is not possible for the Company to confidently assess the potential consequences of the COVID-19 and the significant drop in oil prices on the valuation of assets, as this would depend on factors such as how long the current crisis is expected to last and in terms of potential impact on the Company's operations. The Company could face considerable decrease in market demand and/or supply problems from its customers and/or vendors in regions where the authorities have implemented, or will implement, actions to contain and/or prevent the spread of the COVID-19 virus. The Company has revised its short-term price estimates in order to assess potential impact on cash flows and valuation of assets (such as PP&E and investments), or liabilities and provisions. Management and the board of directors are of the opinion that the Company might have to re estimate the value of its licenses and PP&E which eventually may book a significant impairment charge if the current situation prevails in the forthcoming quarters. On the other hand, the management its seeking to obtain farm out agreements or exploration agreements with local third parties that are able to take the risk and develop and explore new areas, reducing the risk of the company in this difficult matter.

GOING CONCERN

The financial statements in the 2020 Annual Report have been prepared under the going concern assumption in accordance with the Norwegian Accounting Act § 3-3 and the Board of Directors hereby confirms that this assumption is valid.

The income for 2021 is dependent on two factors: current flowing production and the future production of the drilling of three new exploratory wells. Significant uncertainty is present on the outcome of these explorations and therefore, on future income coming from that source.
At this stage the Board are confident that the ongoing operations will have a positive outcome. However, if some of the ongoing initiatives come out with a negative result, there is uncertainty on available cash that may cast significant doubt on the company's ability to continue as a going concern.
If the Group cannot be treated as going concern the valuation of the Group's assets will need to be further revised. Valuation of assets without the going concern assumption could result in further impairment.

ORGANIZATION

Interoil has its head office in Oslo, Norway. At year-end 2020, there were a total of 53 employees (1 in Norway, 52 in Colombia) in the Group.
The Board believes that the work we do is what creates value for Interoil. Our policy for human resources describes our ambitions and our most important target areas. We believe that achieving outstanding results and fulfilling our strategy depends on the commitment and skills of our employees and leaders. Interoil's values – Openness, Trust, Resilience and Integrity – provide a framework of expectations on how Interoil employees perform their tasks.
How we treat our people and each other within the Group is crucial, and open dialogue and communication is promoted

HEALTH, SAFETY AND ENVIRONMENT

Interoil is committed to excellence in operations and standards of Quality, Health, Safety and Environment (QHSE) throughout its activities Interoil will strive towards our QHSE vision:

Systematically promote work environment, zero accident and zero incident operations, promote environmental protection and reduce negative influence on local communities and optimize raw material and energy consumption to minimize waste.

The company aims to be in line with industry practices and all statutory requirements.

Interoil operates according to the International Organization for Standardization (ISO) and Occupational Health and Safety Assessment Series (OHSAS) management standard. Through the standard we have focused on managing safety in critical processes, implemented a visible leadership model and strived to live the HSE culture in the organization. We believe that these activities, together with further focus on training of workers, will reduce the risk of major accidents and injuries, and will reduce the risk of hazards of pollutants.

The working environment is considered to be good, and efforts for improvements are made on an ongoing basis Time lost due to employee work related illnesses or accidents was approximately 0.63% for the Group, respectively a total of 29 days.

Interoil promotes equal opportunities and has a policy of equal pay for the same type of work.

Due to the nature of the industry, the organization is male dominated. As per year-end 2019, 85% of employees are male. The senior management are 100% male and the Board of Directors is 60% female. The group has recruitment and personnel policies to ensure equal opportunities and rights, and prevent discrimination based on ethnicity, national origin, ancestry, colour, language, religion or belief.

REMUNERATION OF SENIOR EXECUTIVES

The Board of Directors of Interoil Exploration and Production ASA hereby submits its statement on remuneration to management in accordance with the Public Limited Company Act § 6-16 A.

Interoil Group management as of 31st December 2020: Leandro Carbone, Chief Executive Officer and Francisco Vozza, Chief Financial Officer and General Manager.

General: Our guidelines for future stipulation of management remuneration is to follow the general salary adjustments in our local society and, at the same time, consider the measures necessary to avoid losing our key personnel and maintain a level of remuneration enabling us to recruit the kind of professionals needed for us to develop the Company according to plans.

Bonus Program: Senior Officers may have a discretionary bonus. The bonus is based on individual performance targets and key performance indicators. There is no other variable remuneration to management.

Other: We are of the opinion that all terms and conditions have been negotiated on an arm's length basis at market conditions, enabling Interoil to recruit the kind of professionals it needs to succeed with its strategy, to the benefit of its shareholders.

CORPORATE SOCIAL RESPONSIBILITY

It is part of Interoil's vision and strategy to grow oil and gas production primarily through development programs focused on maximizing the value of our existing asset portfolio and secondly by acquiring new assets with a sustainable risk profile. We strive to do business in a responsible way and consider social and environmental challenges as opportunities for business development. We engage in constructive dialogue with stakeholders to ensure the continuous improvement of our operations. As part of Interoil's commitment to sustainable development we aim to conduct our business in an economically, efficient, socially, and environmentally responsible way.

The Company strives to be an active contributor to the society where we operate. We support cultural activities, give donations in relation to infrastructure and maintenance, hire residents on short-term contracts to do maintenance and construction work in the field, in addition to the scholarship program supporting education for the best local students.

Reporting of payments to governments for companies in extractive industries, is prepared according to the Norwegian Accounting Act and the Norwegian Trading Act. The report is presented in the note to the Annual Accounts.

Further information about Interoil's corporate social responsibility is available at the Company's website: www.interoil.no.

OUTLOOK

We are an international exploration and production company focused on hydrocarbon development in proven, under-explored conventional basins with access to established infrastructure and competitive fiscal regimes. Our mandate is to develop high value resource opportunities in order to add value to the company and our shareholders. We intend to continue exploring and developing our interesting portfolio, with a continued focus on operational excellence, safety, social, ethical and environmental consciousness. The senior management team has a proven track record in developing technically difficult reservoirs, enhanced oil recovery and operating in remote locations.

During 2020. Interoil took safety diligent protocols for COVID-19 keeping our employees and communities' members, within the area of our operations, safe and, most importantly, continue with our operations through the significant downturn our industry experienced in 2020.
Throughout the course of the first half of 2020, we took quick decisive action to protect our balance sheet by deferring our capital program, reducing our operating activities, implementing cost saving initiatives, and shutting in higher-cost, lower-production minor fields, all while preserving the long-term value of our asset base. Both Colombian and Argentina governments were very proactive in supporting the industry during this time, implementing measures to help companies with commitment management and tax reimbursements. During the second half of 2020, we realized and solidified our operations while cautiously planning a restart of our production, specially in the minor fields. We believe we have successfully positioned the Company to thrive in 2021 and beyond

The Board is uncertain to what extent the consequences of the COVID-19 will affect Interoil's operations, especially given that the duration and extent of containment measures remains unclear. Nonetheless, Interoil will position to meet the challenges the industry is facing. The Group is producing from the Colombian and Argentinian fields and is now focusing in costs reduction and operational efficiency in all our fields.

This report contains forward looking statements. These statements are based upon various assumptions, many of which are based, in turn, upon further assumptions, including Interoil examination of historical operating trends. Although Interoil believes that these assumptions were reasonable when made, these assumptions are inherently subject to significant uncertainties and contingencies which are difficult or impossible to predict with certainty and are beyond our control, Interoil cannot give assurance that it will achieve or accomplish these expectations, beliefs or intentions.

Oslo, 24th June, 2021
The Board of Interoil Exploration and Production ASA.

Hugo Quevedo
Chairman

Nicolas Acuña
Board Member

Francisco Vozza
General manager

Mimi Berdal
Board Member

Carmela Saccomanno
Board Member

German Ranftl
Board Member

Laura Marmol
Board Member

CORPORATE GOVERNANCE

Interoil's corporate governance principles aim at contributing to value creation over time, benefitting shareholders as well as other stakeholders. As an international exploration and production company, Interoil aims at conducting its business in an economically efficient, socially responsible and environmentally acceptable way, for further information refers to our social responsibility report 2020 at: www.interoil.no.

The corporate governance principles are based on the Norwegian Code of Practice for Corporate Governance (the "Code of Practice"), dated 17 October 2019 and issued by the Norwegian Corporate Governance Board ("NUES"). The recommendation from NUES can be found at: www.nues.no.

The following presentation is structured after the guidelines in the Code of Practice and is also available on the Company's website.

Implementation and reporting on corporate governance

Interoil`s Board of Directors strongly believes sound principles for corporate governance are an important prerequisite for building trust between the Company and its stakeholders and securing shareholder value. Owners, investors, customers, employees and other stakeholders should be confident that Interoil`s business activities are characterized by reliability, control, transparency and high environmental and ethical standards. Interoil will in all material aspects follow the Code of Practice and report the Company's corporate governance in the annual report. Any deviations from the Code of Practice will be explained in the report.

Values and ethical guidelines: Interoil's corporate values are presented on the Company's website (www.interoil.no). Our values guide us on how we shall act and make decisions when we conduct our everyday work in Interoil.

Interoil is aware of the effect its business has on the society. The basic principles for corporate social responsibility that the Company strives to follow, are outlined in the corporate social responsibility policy, which is available at the Company's website.

Business

Interoil's objective, as defined in article of the Company's articles of association, is the "activities such as exploration, development, production, purchase and sale of oil and natural gas deposits and production licenses, as well as any activities related thereto, including investments in equal and similar enterprises".

Interoil's vision and strategy are adopted, both for Interoil as a group and for each business area, to support the Company's objective. Interoil's vision and strategy is to become one of the strongest.
E&P companies operating in Latin-America. Our corporate vision and strategy have the following pillars:

• Maintain a strong balance sheet by adopting a disciplined financial philosophy that balances profitability and sustainable growth
• Allocate and deploy capital with a focus on achieving returns well in excess of Interoil's cost of capital
• Grow oil and gas production primarily through development programs focused on maximizing the value of our asset portfolio and secondarily by acquiring new assets with a balanced risk profile
• Become the employer of choice for E&P professionals in Latin America
• Systematically contribute to the development of stakeholders in areas we operate
• Continuously focus on improving our HSE performance in line with best practices in the Latin American E&P sector

Equity and dividends

Interoil`s book equity as of 31 December 2020, was negative USD 7,4 million. The Board of Directors continuously strive to improve book equity. Current equity and liquidity, however, is considered adequate to meet Interoil's current objectives and liabilities.

As of 31 December 2020, Interoil had 157,113,511 shares outstanding.

Due to the market situation, together with requirement for adequate equity and the financial result of 2020, Interoil does not expect to pay any dividend in the near future.

Authorizations to the Board of Directors should be limited to defined purposes and dealt with as a separate agenda items at general meetings.

At the annual general meeting held on 28 June 2018 it was resolved to authorize the Board of Directors to increase the share capital of the Company by up to a total of NOK 16,172,578, corresponding to up to a total of 32,345,156 new shares, without pre-emption.

The authorization may be used for (i) consideration in acquisitions and strategic investments and/or (ii) capital increases done to provide financing for the Company's business. The authority is valid until the earliest of the Annual General Meeting in 2019 and 30 June 2019.

On June 12th 2019, the share capital increase related to the issuance of a total of 22,221,851 consideration shares (the "Consideration Shares") to the sellers in the transaction has now been registered with the Norwegian Register of Business Enterprises. The Company's new share capital is NOK 43,456,083, divided into 86,912,166 shares, each with a par value of NOK 0.50.
6,400,000 of the Consideration Shares will become listed and tradable immediately after delivery to the sellers, while 15,821,851 of the Consideration Shares will be placed on a separate ISIN pending approval and publication of a listing prospectus, estimated to take place in late June 2019.

On July 19th 2019, the share capital increase related to the issuance of a total of 7,354,554 shares in connection with conversion of debt to the sellers of the Argentinian assets, and as further compensation to the sellers of the Argentinian assets in accordance with the anti-dilution mechanism in the contract, has now been registered with the Norwegian Register of Business Enterprises. The Company's new share capital is NOK 47,133,360, divided into 94,266,720 shares, each with a par value of NOK 0.50.

On October 28th 2019, the share capital increase related to the issuance of 2,607,774 shares to Fedmul S.A., has now been registered with the Norwegian Register of Business Enterprises. The Company's new share capital is NOK 48,437,247, divided into 96,874,494 shares, each with a par value of NOK 0.50.

At the annual general meeting held on 27 June 2019 it was resolved to authorize the Board of Directors to increase the share capital of the Company by up to a total of NOK 21,728,041.50, corresponding to up to a total of 43.456.083 new shares, without pre-emption.

At the extraordinary general meeting held on 16 January 2020 it was resolved the partial conversion of bonds to equity, through the issuance of 56,193,478 shares. As a result, the share capital of the Company increase to a total of NOK 76,533,986, corresponding to a total of 153,067,972 shares, without pre-emption.

On the 2nd of April 2020, as a result of the acquisition in January of an 8.34 per cent participating interest in five mature producing exploitation concessions in Argentina, the company issued 4,045,539 consideration shares. The Company's new share capital is NOK 78,556,755.50, divided into 157,113,511 shares, each with a par value of NOK 0.50.

The authorization may be used for (i) consideration in acquisitions and strategic investments and/or (ii) capital increases done to provide financing for the Company's business. The authority is valid until the earliest of the Annual General Meeting in 2019 and 30 June 2019.

On the 26th March 2021 aimed at securing such funding for the farm-out agreement with SLS and Quantum Resources for the drilling of the remaining committed exploratory well (Mazorca) in the Altair block the company subscribed and issued in the Private Placement is 7,265,576 shares at a subscription price of NOK 1.33 per share, resulting in gross proceeds of approximately NOK 9.7 million. The Company's new share capital is NOK 82,189,543.50, divided into 164,379,087 shares, each with a par value of NOK 0.50.

On the 29th March 2021, announces contemplated share issue aimed at securing funding for the investments in exploration activity in Colombia and in further development activity in Argentina. On the 4th April 2021, The company published a national prospectus registered in Norway (the "Prospectus"), providing further details on the Company and the Share Issue. The Share Issue comprises the issue of up to 25,342,462 new shares in the Company at a subscription price of NOK 1.46 per share. The minimum subscription amount in the Share Issue will is NOK 10,000.

Equal treatment of shareholders and transactions involving related

Interoil has one class of shares representing one vote at general meetings. Each share has a nominal value of NOK 0.50. The articles of association contain no restrictions regarding the rights to vote. Equal treatment is of high importance for the Company, and the Board of Directors must justify any waiver of these rights in capital increases.

Should the Board of Directors wish to propose to the general meeting that the pre-emptive right of existing shareholders is set aside in the event of a capital increase, such a proposal must be justified by the common interests of the Company and the shareholders, and the grounds for the proposal will be presented in the notice of the general meeting.

At the Annual General Meeting held on 28 June 2019, the Board of Directors was given authority to issue new shares without pre-emption to give the Company the flexibility to complete acquisitions or raise new capital at short notice.

Material transactions between the Company and its shareholders, a shareholder's parent company, members of the Board of Directors, executive personnel or close associates of any such parties, shall be evaluated by an independent third party.

Any transactions with closely related parties, primary insiders or employees wishing to trade in Interoil shares must be cleared prior to the purchase of shares in the Company and are firmly regulated in Interoil's own Directives for Insider Trading.

Interoil focuses on transparency and independent verification of any transactions with related parties The Company's Ethical Guidelines, which apply to all employees, contain guidelines for handling potential conflicts of interest.

There have been no significant transaction with closely related parties during 2020. However, consultancy agreements exist between one of the board members and the Company, and between one board member and

Interoil Colombia Exploration and Production Inc. In addition, two board members have waived their fee from the Company and receive their payment from Interoil
Colombia Exploration and Production Inc. The Chief Executive Officer (CEO) and Chief Financial Officer (CFO), received all his remuneration from Interoil Colombia Exploration and Production
Inc. See notes and in the financial statements for more details.

Freely negotiable shares

Interoil's shares are listed on the Oslo Stock Exchange and are freely transferable. There are no restrictions on trade in the Company's articles of association.

General meetings

Interoil encourages as many shareholders as possible to exercise their rights by participating in the Annual General Meeting of the Company. Notices convening general meetings will be distributed no later than twenty-one days before a general meeting.

Interoil endeavours in general to make the detailed supporting documentation relating to the items on the agenda available on the Company's web site no later than on the date of the distribution of the notice of the general meeting. The notice is also distributed as a stock exchange notification.

The calling notice includes a reference to Interoil's website where the notice calling the meeting and other supporting documents are made available. As the supporting documents are made accessible for the shareholders on Interoil's website, the documents will normally not be enclosed in the calling notice sent to the shareholders, cf. Interoil's articles of association section.

The deadline for registering intended attendance will be set as close to the general meeting as possible, but no later than four days prior to the general meeting. Shareholders who are unable to attend, are encouraged to vote by proxy. Information concerning both, the registration procedure and the filing of proxies, will be included in the notice. The proxy forms will also allow separate voting instructions to be given for each item on the agenda.

The general meeting elects the chair of the meeting. The Board of Directors generally proposes that a person independent from the Company chairs the meeting.

The general meeting elects the members of the nomination committee. The nomination committee focuses on composing a board that works optimally as a team and on ensuring that board members' experience and qualifications complement each other and that statutory gender representation requirements are met.

The general meeting is therefore normally requested to vote for a complete set of proposed board members, and shareholders cannot vote in advance for individual candidates. The general meeting otherwise deals with the matters it is required to consider pursuant to legislation or the Company's articles of association.

The Company allows shareholders to propose matters for consideration at the general meeting, and shareholders can also ask questions and propose decisions at the general meeting itself.

The minutes from the meeting are released as soon as practical as a stock exchange notification (ticker: IOX) and on our website www.interoil.no.

Nomination committee

The articles of association stipulate that the Company shall have a nomination committee, elected by the general meeting. The nomination committee shall consist of three members, who shall normally serve for a term of two years. The current members of the nomination committee, which were elected at the Annual General Meeting held 17 June 2019, are Hugo Quevedo, Carlos Zubiaur and Neil Arthur Bleasdale.

All current members of the nomination committee are independent of the executive management of Interoil. Mariano Cruz Lucero and Neil Arthur Bleasdale are also independent of the Board of Directors of Interoil. Hugo Quevedo is also Chairman of the Board of Interoil.

The purpose of the committee is to recommend candidates for election to the Board of Directors and propose the fee payable to the board members. The committee shall emphasize that the candidates for the board have the necessary experience, competence and capacity to perform their duties in a satisfactory manner. A reasonable presentation regarding gender and background should also be emphasized.

The justified recommendations are endeavoured to be made available together with the notification to the general meeting, no later than 21 days prior to the general meeting.

Corporate assembly and the Board of Directors; composition and independence

The Company is not required to have a corporate assembly, cf. the Public Limited Liabilities Companies Act section 6-35 (1). Thus, the general meeting elects the representatives to the board of directors directly.

According to the articles of association, the Board of Directors shall consist of three to seven members currently, there are five members. The members are elected for a term of two years and may stand for re-election. The proposal for nominations are generally distributed to the shareholders together with the notice of the general meeting.

The current board is conformed by Hugo Quevedo (chairman), Mimi Berdal, Nicolas Acuna Vesga, German Ranftl, Laura Marmol and Carmela Saccomanno. Board member Rosa Siles stepped down as a member of the Board of Directors in February 2019, Jorge Brown Cortina and Natalia Elizabeth Mariani stepped down as a member of the Board of Directors in June 2019.

Out of the current board, Mr Acuña holds a leading position at Canacol Energy. As such, there is no guarantee that no conflicts of interest may arise between these person's duties to the Company and his duties to Canacol Energy.

The composition of the Board of Directors as a whole, represents sufficient diversity of background and expertise to help ensure that the board carries out its work in a satisfactory manner.

The Company's website and annual report provides detailed information about the board members expertise and capabilities.
The Board of Directors is aware of the need for diversification of its members, in order to add value and to best serve the common interest of Interoil and its shareholders (particularly with respect to expertise, experience, social skills, and independence, flexibility and time capacity).

In 2020, the board held 10 board meetings, with an average attendance of 90%.

The work of the Board of Directors

The Board of Directors shall establish an annual schedule for the board meetings and an annual plan for its work.

The Board of Directors shall lead the Company's strategic planning and make decisions that form the basis for the executive personnel to prepare for and implement investments and structural measures.

The Board of Directors shall be engaged in the financing of the Company. The Board of Directors shall ensure that the activities in Interoil are soundly organized.

The CEO and General Manager are responsible for the Company's daily operations and ensures that all necessary information is presented to the board.

The Company has not established neither a separate audit committee (but the combined board fulfils the functions of the audit committee), nor a remuneration committee.

Risk management and internal control

The Board of Directors focuses on risk management and internal control to support the Company's corporate values, business development and the quality of the financial reporting encompassing ethical guidelines and guidelines for social responsibility.

The Board of Directors provides in a note in the annual report the main features of the Company's internal control and risk management systems as they relate to the Company's financial reporting.

Remuneration of the Board of Directors

The remuneration of the Board of Directors should reflect the responsibilities, the expertise and the time commitment, as well as the complexity of business. The remuneration is proposed by the nomination committee. The remuneration is not linked to the Company's performance or linked to options in Interoil.

The remuneration to the Board of Directors for 2020 is described in a note to the financial statements. The remuneration to the Board of Directors for 2021 is being paid in accordance with decision at the Annual General Meeting held 30 June 2020.

Remuneration of the executive personnel

The Board of Directors of Interoil prepares its statement on remuneration to management in accordance with the Public Limited Companies Act § 6-16 a.

Our guidelines for future stipulation of management remuneration is to follow the general salary adjustments in our local society and at the same time, consider the measures necessary to avoid losing our key personnel and maintain a level of remuneration enabling us to recruit the kind of professionals needed for us to develop the Company according to plans.

The compensation structure and guidelines for executive personnel and key employees are described in "Remuneration of Senior Executives" in the Board of Directors report.
Interoil negotiates all terms and conditions on an arm's length basis at market conditions, enabling Interoil to recruit the professionals the Company seeks.

The remuneration to the executive management is described in a note to the consolidated financial statements.

Information and communications

Interoil's information policy is based on transparency and on providing the shareholders, investors and financial market with correct and timely information, in order to safeguards the principle of equal treatment of all shareholders, and satisfies the regulations and practice applicable to listed companies.

Interoil's key communication objectives are visibility, transparency and openness and the Company will achieve these objectives through precise, relevant, timely and consistent information Interoil co-ordinates its external and internal communication activities to ensure that the Company is presented in a clear and consistent manner and that the Company's brand and reputation is managed properly. All sensitive information will be controlled and disclosed in compliance with statutory laws and the relevant stock exchange rules and regulations

Interoil reports the financial result each quarter, and from time to time presentations at conferences in Norway and abroad. Our quarterly reports and investor presentations are made available on Interoil's web site, www.interoil.no.

The Company also reports its monthly average production on the first trading day at Oslo Børs after the 10th of each month.

• Interoil's website, www.interoil.no, contains information regarding the Company, its activity and contact information, and is updated on a regular basis. In addition, all presentation materials and financial reports are available on the website.
• Interoil distributes all sensitive press releases as well as all reports through Hugin and Oslo Stock Exchange (www. newsweb.no).
• Interoil publishes an annual financial calendar which may be consulted on the Oslo Stock Exchange website, through news agencies and on the Company's website.

Takeovers

In the event of a takeover bid, the Board of Directors will duly comply with its duties pursuant to the Norwegian Securities Trading Act and other relevant legislation. The Board of Directors has not established a separate set of principles for take-over situations.

Auditor

The auditor shall be independent from the Company. The remuneration for the auditors is presented in a note to the financial statements. PricewaterhouseCoopers was appointed as auditor at an extraordinary general meeting on 20 October 2015.

The audit committee, consisting of the whole Board of Directors, will meet with the auditor annually. The objective of the committee is to focus on internal control, independence of the auditor, risk management and the Company's financial standing, including the quarterly and annual financial statements.

The auditor will send a complete Management Letter/Report to the Board of Directors – which is a summary report with comments from the auditors including suggestions of any improvements if needed. This is an important tool for the board in order to get a better overview and fulfil the control duties. The auditor is also present in at least one board meeting each year.

The auditor annually submits the audit plan to the Board of Directors. The auditor participates in meetings of the Board of Directors that deal with the annual accounts. In this meeting, the auditor reviews any material changes in accounting principles, comments on estimated figures and report material matters regarding disagreement with the executive management. The Board of
Directors also meets with the auditor at least once a year without presence of the executive management.

The auditors present once a year to the Board of Directors a review of the Company's internal control procedures, identifying weaknesses and proposals for improvement.

The Board of Directors reports the remuneration paid to the auditor at the ordinary general meeting. The fee is detailed, in fee paid for audit and fee paid for other specific assignments.

The Board of Directors of the Company has not established guidelines for the executive management's use of the auditors for services other than the audit, contrary to what is recommended by the Code of Practice.

FINANCIAL STATEMENTS

DECEMBER 2020

RESPONSIBILITY STATEMENT

We confirm, to the best of our knowledge that the financial statements for the period 1 January to 31 December 2020, have been prepared in accordance with international financial reporting standards IFRS and give a true and fair view of the assets, liabilities, financial position and profit and loss of the group taken as a whole. We also confirm that the Board of Directors' Report includes a true and fair review of the development and performance of the business and the entity and the group, together with a description of the principal risks and uncertainties facing the entity and the group.

Oslo, 24th June, 2021
The Board of Interoil Exploration and Production ASA.

Hugo Quevedo
Chairman

Nicolas Acuña
Board Member

Francisco Vozza
General manager

Mimi Berdal
Board Member

Carmela Saccomanno
Board Member

German Ranftl
Board Member

Laura Marmol
Board Member

CONSOLIDATED FINANCIAL STATEMENTS

31 DECEMBER 2020

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Amounts in USD 1 000 unless otherwise stated

For the year ended 31 December	Notes	2020	2019
Sales	7	8.950	16.386
Cost of goods sold	8	-6.047	-6.825
Depreciation and amortization	8, 17	-7.095	-7.595
Gross profit		**-4.192**	**1.966**
Exploration cost expensed	9	-992	-2.964
Administrative expense	10	-2.624	-3.567
Impairment	17	-1.284	-1.323
Other income /(expenses)	14	-490	502
Result from operating activities		**-9.582**	**-5.386**
Finance income	15	3.892	1.391
Finance costs	15	-8.183	-5.206
Net finance (cost)/income		**-4.291**	**-3.815**
(Loss)/Profit before income tax		**-13.873**	**-9.201**
Net income tax	16	79	-216
(Loss)/profit of the year		**-13.794**	**-9.417**
Other comprehensive loss that will not be reclassified to profit or loss		-	-
Other comprehensive income for the year		**-**	**-**
Total comprehensive (loss)/income for the year		**-13.794**	**-9.417**
Attributable to:			
Equity holders of the parent		-13.794	-9.417
(Loss)/earnings per share (expressed in USD per share)			
– basic – total		- 0,09	- 0,09

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Amounts in USD 1 000

As of 31 December	Notes	2020	2019
ASSETS			
Non-current assets			
Property, plant and equipment	17	22.774	29.247
Exploration and evaluation assets	18	3.605	3.605
Other Non current Assets	24	1.774	1.764
Total non-current assets		**28.153**	**34.616**
Current assets			
Inventories	23	490	847
Trade and other receivables	21	1.021	1.231
Assets held for sale	19	1.746	-
Cash and cash equivalents, restricted	25	3.064	3.043
Cash and cash equivalents, non-restricted	25	604	1.767
Total current assets		**6.925**	**6.888**
TOTAL ASSETS		**35.078**	**41.504**
EQUITY			
Share capital and share premium	26	160.145	142.095
Other paid-in equity		4.744	4.744
Accumulated loss		-170.916	-157.122
Total equity		**-6.027**	**-10.283**
LIABILITIES			
Non-current liabilities			
Borrowings	28	23.322	21.579
Deferred tax liability	16	-	870
Retirement benefit obligation	22	762	677
Provisions for other liabilities and charges	29	5.614	2.754
Other long term payables	31	3.461	-
Total non-current liabilities		**33.159**	**25.880**
Current liabilities			
Borrowings/interest-bearing liabilities	28	1.609	19.460
Trade and other payables	30	5.492	5.684
Provisions for other liabilities and charges	29	845	763
Total current liabilities		**7.946**	**25.907**
TOTAL LIABILITIES		**41.105**	**51.787**
TOTAL EQUITY AND LIABILITIES		**35.078**	**41.504**

Oslo, 24th June, 2021

The Board of Interoil Exploration and Production ASA.

Hugo Quevedo
Chairman

Nicolas Acuña
Board Member

Francisco Vozza
General manager

Mimi Berdal
Board Member

Carmela Saccomanno
Board Member

German Ranftl
Board Member

Laura Marmol
Board Member

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Amounts in USD 1 000	Notes	Sharecapital and share premium	Other paid-in equity	Retained earnings	Total equity
Balance at 31 December 2018		**129.135**	**4.744**	**-147.705**	**-13.826**
Capital Increse - Shares issued	26	12.960	-	-	**12.960**
Loss of the year		-	-	-9.417	**-9.417**
Balance at 31 December 2019		**142.095**	**4.744**	**-157.122**	**-10.283**
Capital Increse - Bond conversion		17.050	-	-	**17.050**
Capital Increse - Shares issued	26	1.000	-	-	**1.000**
Loss of the year		-	-	-13.794	**-13.794**
Balance at 31 December 2020		**160.145**	**4.744**	**-170.916**	**-6.027**

CONSOLIDATED CASH FLOW STATEMENT

Amounts in USD 1 000

For the year ended 31 December	Notes	2020	2019
Cash generated from operations			
Comprehensive income/(loss) for the period		**-13.794**	**-9.417**
Depreciation and amortization	17	7.353	7.805
Change in retirement benefit obligation		85	4
Interest income	15	-29	-21
Interest and other financial expenses	15	4.495	3.109
Unrealized exchange gain	15	-345	-53
Other net financial expense	15	170	779
Impairment loss on PP&E	17	147	1.547
Changes in net working capital			0
Inventories		357	-241
Trade and other receivables		210	790
Trade and other payables and provisions		1.900	-535
Taxes paid		439	585
Net cash generated from operating activities		**988**	**4.352**
Cash flows from investing activities			
Purchases of PP&E	17	-1.041	-3.010
Net cash used in investing activities		**-1.041**	**-3.010**
Cash flows from financing activities			
Interest paid		-809	-2.044
Repayment of borrowings		-332	-1.021
Proceeds from new loans		-	675
Increase in non-current assets		10	174
Changes in restricted cash		21	-1.014
Net cash used in financing activities		**-1.110**	**-3.230**
Net (decrease)/increase in cash and cash equivalents		**-1.163**	**-1.888**
Non restricted Cash and cash equivalents at beginning of the period	24	1.767	3.655
Non restricted Cash and cash equivalents at end of the year		**604**	**1.767**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Interoil Exploration and Production ASA (the "Company") and its subsidiaries (together the "Group" or Interoil) is an upstream oil exploration and production company focused on South America. The Company is an operator of production and exploration assets in Argentina and Colombia.

The Company is a Norwegian Public limited liability company incorporated and domiciled in Norway. The Company is listed on the Oslo Stock Exchange. The Company is registered in the Register of Business Enterprises with organization number 988 247 006.

The Company's registered office is Kronprinsensgate 17, 0251 Oslo, Norway.

The principal activities of the Group are described in the Board of Directors Report.

These consolidated financial statements have been approved for issue by the Board of Directors on 24th June, 2020.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The consolidated financial statements of the Gro up have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and International Financial Reporting Interpretations Committee (IFRIC) interpretations as adopted by the European Union (EU).

The consolidated financial statement is presented in USD and is rounded up to thousands (1 000). The consolidated financial statements have been prepared under the historical cost convention, except for financial assets and liabilities at fair value through profit or loss.

The accounts are prepared based on a going concern assumption (see note 4), taking into consideration that some events (and possible sources of income) may face significant uncertainty due to facts that may be common to every industry (climatic disasters, COVID-19, market turmoil and crisis, to name a few). Interoil faces other facts which are industry specific: success in the exploration processes, oil price downfall, high or low capital raising dependance, serious issues in facilities and equipment during the process, in between others. As significant uncertainty is present on the outcome of the explorations, future income coming from that source may not flow as projected, representing in that case a lower EBITDA and net cash position (or even a negative one), casting significant doubt on the company's ability to continue as a going concern.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 2.17.

Changes in accounting policies and disclosures

The accounting policies adopted are consistent with those of the previous financial year.

Restatements

The correcting the recognition, measurement, and disclosure of amounts of elements of financial statements should be done as if a prior period error had never occurred.

2.2 Consolidation

The consolidated financial statements comprise the financial statement of the Group and its subsidiaries as at 31 December 2020. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Thus, the Group controls an entity if and only if the Group has all the following:

- Power over the entity;
- Exposure, or rights, to variable returns from its involvement with the entity; and
- The ability to use its power over the entity to affect the amount of the Group's returns.

There is a presumption that if the Group has the majority of the voting rights in an entity, the entity is considered as a subsidiary. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over the entity, including ownership interests, voting rights, ownership structure and relative power, as well as options controlled by the Group and shareholder's agreement or other contractual agreements

The assessments are done for each individual investment. The Group re-assesses whether or not it controls an entity if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Business combinations are accounted for, by using the acquisition method. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange. Transaction costs other than share and debt issuance cost are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. Any excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill if applicable. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. Non-controlling interests when exist are presented separately under equity in the Group's balance sheet.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.
The consideration is recognized at fair value and the difference between the consideration and the carrying amount of the non-controlling interests is recognized at the equity attributable to the parent.

In cases where changes in the ownership interest of a subsidiary lead to loss of control, the consideration is measured at fair value. Assets (including goodwill) and liabilities of the subsidiary and non-controlling interest at their carrying amounts are derecognized at the date when the control is lost.

The fair value of the consideration received is recognized and any investment retained is recognized at fair value. Gain or loss is recognized in profit and loss at the date when the control is lost.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Consolidated subsidiaries
Consolidated subsidiaries are specified in note 11.

2.3 Foreign currency translation

(a) Functional and presentation currency
Items included in the financial statements for all significant companies in the Group are measured using the US Dollar as a functional (the "functional currency"). The consolidated financial statements are presented in USD, which is as well the functional currency for the parent company and.

(b) Transactions and balances
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in profit or loss.

2.4 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Financial Officer and the Chief Executive Officer. They are responsible for strategic decisions and together with local management allocating resources and assessing performance of the operating segments.

2.5 Revenue recognition

Revenues is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

Sales revenue related to sale of oil and gas is recognized when the risk and benefits related to ownership of the sold products are transferred to the customer and the Group no longer has the possession of or control over the products according to time of delivery based on contractual terms in the sales agreements, i.e. when deliveries are made at a sales transfer point. Sales are presented net of royalty payments.

Revenues related to test production for new wells in association contract are recognized as revenues according to the principles above.

Sales of services are recognized as income once the service has been rendered.
Revenue compromises the invoiced value of the sale of products and services net of indirect taxes, royalties and sales adjustments. Distribution cost for products to be sold are included in the income statement as lifting cost.

2.6 Tax

Current income tax
Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, by the reporting date, in the countries where the Group

operates and generates taxable income.

Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in profit or loss

The income tax expense consists of the tax payable and changes to deferred tax.

Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting, nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

2.7 Classifications

Classification in the statement of financial position

Interoil separately presents current and non-current assets and liabilities in its statement of financial position. Assets and liabilities are classified as current when it is expected to be realized (or is intended for sale or consumption) in the normal operating cycle, is held primarily for being traded, or is expected to be realized within twelve months after the reporting period. Also, cash or cash equivalent assets are classified as current assets, unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. A liability is classified as a current liability if it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that can be settled with equity instruments at the option of the counterparty, do not affect its classification. Other balance sheet items are classified as non-current assets / non-current liabilities.

Classification of income and expenses

Operating expenses in the statement of comprehensive income are presented by function. Cost of goods sold includes lifting costs and changes in inventory. Depreciation and amortization of production assets are presented on a separate line under cost of goods sold. Exploration cost expensed includes seismic acquisitions, internal cost incurred and cost of dry wells. Administrative expenses include employee benefit expenses, general and administration expenses and depreciation and amortization of non-oil assets. Other income/ (expense) includes refund of operating expenses based on association contracts and jointly controlled operations, gain/loss on sale of PP&E and other income and expense. Information of the nature of expenses is presented by their nature in the notes to the financial statements.

2.8 Property, plant and equipment

2.8.1 Intangible assets

(a) Exploration and evaluation assets

Some exploration and evaluation assets are classified as intangible assets according to IFRS 6, for example license acquisition costs and capitalized exploration cost. When technical feasibility and commercial viability of the assets are demonstrable, the assets are reclassified to development assets within property plant and equipment. The exploration and evaluation assets which are classified as intangible are assessed for impairment before reclassification.

(b) Other intangible assets

Acquired computer software licenses are capitalised on the basis of the cost incurred to acquire and bring to use the specific software. These costs are amortised over the estimated useful lives (three to five years). All intangible assets in the Group are fully amortised.

Proceeds from sale of oil and gas licenses in the exploration stage are offset against the related capitalized costs of each well with any excess of net proceeds over all costs capitalized included in other income/(expense) in the statement of comprehensive income.

2.8.2 Oil and Gas assets

Exploration and production rights assets

Oil exploration expenditures are accounted for using the successful efforts method of accounting. Some exploration and evaluation assets should be classified as intangible, for example license acquisition costs and capitalized exploration assets. Costs are accumulated on a field-by-field basis. Geological and geophysical costs are expensed as incurred, except for costs connected to areas with proven reserves which are capitalised. Costs directly associated with an exploration well are capitalised until the determination of reserves is evaluated. Each individual exploration well is considered being a cash generating unit (CGU) when considering impairment of the evaluation and exploration asset. If the commercial discovery has not been achieved, these costs are charged to expense.

Once commercial reserves are found, exploration and production rights assets are tested for impairment and transferred to development assets. No depreciation and/or amortisation are charged during the exploration phase.

Impairment

Production rights, exploration and development assets (see below) are tested for impairment whenever facts and circumstances indicate impairment. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds their recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and their value in use. For the purposes of assessing impairment, the assets subject to testing are tested for impairment on a production field (CGU) by production field basis using forward oil prices from financial markets.

2.8.3 Development assets

Expenditure on the construction, installation or completion of infrastructure facilities such as production equipment, pipelines and the drilling of commercially proven development wells is capitalised within tangible assets. When development is completed on a specific field, it is transferred to production assets. No depreciation and/or amortisation are charged during the development phase.

2.8.4 Oil production assets

Oil production assets are aggregated exploration, production rights assets and development expenditures associated with the production of proved reserves. Furthermore, the oil production assets include property leasehold acquisition costs directly attributable to production assets.

Oil production assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, the proved oil and gas properties subject to testing are tested for impairment on a production field (CGU) by production field basis.

2.8.5 Other assets

Other property, plant and equipment are other assets not classified as either development or oil producing assets and are stated at historical cost less depreciation and impairment. Historical costs include expenditures that are directly attributable to the acquisition of the items. Depreciation is calculated using the straight-line method to allocate their cost to their values over their estimated useful lives (3 – 10 years). The assets residual values and useful lives are reviewed, and adjusted if appropriate, at each end of the reporting period.

2.8.6 Depreciation and amortisation

Oil and Gas assets that are purchased are depreciated and amortised using the unit-of-production method based on proved reserves (P1). Exploration and development assets transferred to production assets are depreciated using the unit-of-production method based on proved reserves (P1), and amortised using the unit-of-production method based on proved reserves (P1), which are oil mineral reserves estimated to be recovered from existing facilities using current operating methods.

Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

2.9 Financial Instruments

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the instrument and are initially measured at fair value. Transaction costs directly attributable to the acquisition or issue of financial instruments classified as amortized cost are included in the carrying value of such instruments. Transaction costs directly attributable to the acquisition of financial instruments classified as fair value through profit or loss ("FVTPL") are expensed as incurred.

2.9.1 Financial assets

Financial assets are subsequently measured at either amortized cost using the effective interest method or fair value based on their classification and classified into the following categories: Loans receivables and financial assets are subsequently measured at amortized cost less impairment if they meet the following conditions:

• The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows.
• The contractual terms of the financial asset give rise, on specified dates, to cash flows that are solely payments

of principal and interest on the principal amount outstanding.
• The asset was not acquired principally for the purpose of selling in the near term or management for short-term profit taking (i.e., held for trading).

All other financial assets, except equity investments as described below, are classified as FVTPL and subsequently measured at fair value with gains or losses arising from changes in fair value recorded in net (loss) income.

At each reporting date, the Company assesses whether a financial asset or group of financial assets is impaired. Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

2.9.2 Financial liabilities

Financial liabilities are classified as FVTPL if they are held for trading or designated as FVTPL on initial recognition. Financial liabilities at FVTPL are measured at fair value with gains and losses arising from changes in fair value recognized in net (loss) income. Other financial liabilities are measured at amortized cost using the effective interest method. Fair value hierarchy The Company uses a three-level hierarchy to categorize the significance of the inputs used in measuring or disclosing the fair value of financial instruments. The three levels of the fair value hierarchy are as follows:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

If different levels of inputs are used to measure a financial instrument's fair value, the classification within the hierarchy is based on the lowest level input that is significant to the fair value measurement.

The Group derecognizes a financial liability when its contractual obligations are discharged, cancelled or expire.

The Group classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognized initially at fair value plus any directly attributable transaction costs. After initial recognition, these financial liabilities are measured at amortized cost using the effective interest method.

Other financial liabilities comprise loans and borrowings, bank overdrafts, and trade and other payables. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are, if any, included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

Any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the statement of comprehensive income over the period of the borrowings using the effective interest method. Gains and losses are recognized in the statement of comprehensive income when the liabilities are derecognized as well as through the effective interest rate method amortization process. Other financial liabilities are presented as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

2.9.3 Share capital
Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity, net of any tax effects.

2.10 Inventories
Inventories are valued at the lower of cost and net realizable value. Cost is determined by the first-in, first-out (FIFO) method. Inventory cost includes raw material, freight, and direct production expenses together with a portion of indirect expenses.

2.11 Employee benefits

Defined benefit plans:
The Group operates two defined benefit plans. One for the employees in the holding company, Interoil Exploration and Production ASA which finished in 2019, and one for employees in the Colombian subsidiary employed in the years from 1991 to 1994. Both schemes are funded through payments to insurance companies, determined by periodic actuarial calculations. Typically, defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation. From 1995 it was mandatory for all employees in Colombia to be affiliated to a private or public pension fund. The Colombian defined benefit plan will result in payments if the employees have not collected 20 years under this governmental pension law.

The cost of providing benefits under the defined benefit plans is determined using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding net interest (not applicable to the Group) and the return on plan assets (excluding net interest), are recognized immediately in the statement of financial position with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognized in profit or loss on the earlier of:
- The date of the plan amendment or curtailment, and
- The date that the Group recognizes restructuring-related costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognizes the following changes in the net defined benefit obligation under “cost of sales”, “administration expenses” and “selling and distribution expenses” in consolidated statement of profit or loss (by function):
- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements
- Net interest expense or income.

2.12 Provisions
General:
A provision is recognized in the statement of financial position when the Group has a present legal or constructive obligation as a result of past events and it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

Abandonment and decommissioning liabilities:
In accordance with the terms of the license concessions for licenses where the Group has ownership interest, the local authorities may instruct the license holders to partly or completely remove the facilities at the end of production or when the concession period expires. Upon initial recognition of a liability when the Company has a constructive obligation, the company calculates and records the net present value related to future abandonment and decommissioning. The same amount is capitalized as part of the cost price of the asset and depreciated using the unit of production method. The change in the time value of the liability related to the abandonment and decommissioning is charged to expense as other expenses and increases the future liability related to the abandonment and decommissioning. Any change in the estimate related to expenditures associated with abandonment and decommissioning liabilities are accounted for prospectively (remaining production) based on the unit of production method.

2.13 Leases
The Company adopted the standard IFRS 16, effective January 1, 2019, from that date the Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the statement of comprehensive income on a straight-line basis over the period of the lease.

2.14 Non-current assets held for sale and discontinued operations
Non-current assets, or disposal groups comprising assets and liabilities, that are expected to be recovered primarily through sale or distribution rather than through continuing use, are classified as held for sale. Immediately before classification as held for sale, the assets, or components of a disposal group, are remeasured in accordance with the Group’s accounting policies. Thereafter generally the assets, or disposal group, are measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group first is allocated to goodwill, and then to remaining assets and liabilities on pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets and employee benefit assets, which continue to be measured in accordance with the Group’s accounting policies. Impairment losses on initial classification as held for sale and subsequent gains and losses on remeasurement are recognized in profit or loss. Gains are not recognized in excess of any cumulative impairment loss.

The Group does not classify non-current assets (or disposal groups) that are to be abandoned as held for sale, since its carrying amount will be recovered principally through continuing use. However, if the disposal group to be abandoned represents a separate major line of business or geographical area of operations; is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations; or is a subsidiary acquired exclusively with a view to resale, the Group will present the results and cash flows of the disposal group as discontinued operations at the date on which it ceases to be used.

Intangible assets and property, plant and equipment once classified as held for sale or discontinued operations are not amortised or depreciated.

2.15 Accounting for farm inn

Farm-in agreements are usually entered into in the exploration phase and are characterised by the transferor waiving future financial benefits in the form of reserves, in exchange for reduced future financing obligations. For example, a license interest is taken over in return for a share of the transferor's expenses relating to the drilling of a well. In the exploration phase, the company normally accounts for farm-in agreements on a historical cost basis, as the fair value cannot be reliably determined.

2.16 Interest in jointly controlled operations

Certain of the Group's activities, particularly exploration and production, are conducted through unincorporated joint ventures where the ventures have a direct ownership interest in and jointly control the assets of the venture. The Group recognizes, on a line by line basis, its share of the assets, liabilities and expenses of a jointly controlled operation, along with the Group's income from the sale of its share of the output and liabilities and expenses incurred in relation to the venture.

Licenses are funded through cash calls from the operator to the license partners. The net of total cash called and total payments made under the license, the over-/under call, is recognized in the statement of financial position as other short-term receivables or other current liabilities respectively.

When the Group, acting as an operator, receives reimbursement of direct costs recharged to the joint venture, such recharges represent reimbursements of costs that the operator incurred as an agent for the joint venture and therefore have no effect on profit or loss.

2.17 Critical accounting estimates and judgments

The preparation of the Group's consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of reported amounts of assets, liabilities, and the disclosure of contingent liabilities, at the end of the reporting period and amounts of revenues and expenses recognized during the reporting period. Estimates and judgments are continuously evaluated and are based on management's experience, historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

2.17.1 Impairment of exploration and other oil related assets

The Group tests whether exploration assets and oil related assets have been subject to any impairment, in accordance with the accounting policy stated in note 2.8. The recoverable amounts of cash-generating units and individual assets have been determined based on value-in-use calculations as net present value (before tax). These calculations require the use of estimates and assumptions such as management evaluations in addition to discount rates, expected future cash flows and future market conditions, including production, remaining proved and probable reserves (P2), future capital expenditure, lifting cost and forward oil price. It is reasonably possible that these assumptions may change, which may then impact the estimated life of the field and may then require a material adjustment to the carrying value of exploration assets and oil related assets. The Group monitors internal and external indicators of impairment relating to its tangible and intangible assets. From prices declined to an absolute minimum in the beginning of 2018 and since then prices have recovered up to a level above USD 60 per barrel in 2019 and 2020. The impairment test indicate impairment of the oil producing assets in MMO and Santa Cruz at 31 December 2020 and an in Llanos 47 field in 2019, additionally in 2020 there was a impairment recovery for Llanos 47 (See notes 17 and 20).

2.17.2 Abandonment and decommissioning liabilities

Abandonment and decommissioning costs will be incurred by the Group at the end of the operating life of some of the Group's facilities and properties. The ultimate decommissioning costs are uncertain and cost estimates can vary in response to many factors including changes to relevant legal requirements, the emergence of new restoration techniques or experience at other production sites. The expected timing and amount of expenditure can also change, for example, in response to changes in reserves or changes in laws and regulations or their interpretation. As a result, there could be significant adjustments to the provisions established which would affect future financial results (see note 28).

2.17.3 Hydrocarbon reserves and resource estimates

Oil and gas production properties are depreciated on units of production basis at a rate calculated by reference to total proved developed reserves determined in accordance with Society of Petroleum Engineers rules and incorporating the estimated future cost of developing those reserves. The Group estimates its commercial reserves based on information compiled by appropriately qualified persons relating to the geological and technical data on the size, depth, shape and grade of the hydrocarbon body and suitable production techniques and recovery rates. Commercial reserves are determined using estimates of oil in place, recovery factors and future oil prices, the latter having an impact on the total amount of recoverable reserves and the proportion of the gross reserves which are attributable to the host government under the terms of the Production-Sharing Agreements. Future development costs are estimated using assumptions as to the number of wells required to produce the commercial reserves, the cost of such wells and associated production facilities, and other capital costs.

As the economic assumptions used may change and as additional geological information is produced during the operation of a field, estimates of recoverable reserves may change. Such changes may impact the Group's reported financial position and results which include:

- The carrying value of exploration and evaluation assets, oil and gas properties and property, plant and equipment may be affected due to changes in estimated future cash flows.
- Depreciation and amortization charges in profit or loss may change where such charges are determined using the units of production method, or where the useful life of the related assets change.
- Provisions for decommissioning may change - where changes to the reserve estimates affect expectations about when such activities will occur and the associated cost of these activities.
- The recognition and carrying value of deferred income tax assets may change due to changes in the judgements regarding the existence of such assets and in estimates of the likely recovery of such assets.

See note 33 for an overview of the approved reserves as of 31 December 2020 and 2019.

2.18 Standards and interpretations issued, but not yet effective

Standards and interpretations that are issued up to the date of issuance of the consolidated financial statements, but not yet effective are disclosed below. The Group's intention is to adopt the relevant new and amended standards and interpretations when they become effective, subject to EU approval before the consolidated financial statements are issued. Based on preliminary analysis, the standards are not expected to materially impact on the Group's financial statements.

Amendments to IFRS 3: Definition of a Business In October 2018, the IASB issued amendments to the definition of a business in IFRS 3, Business Combinations, which provides a framework to determine whether an acquired set of activities is a business. They clarify the minimum requirements for a business, remove the assessment of whether market participants are capable of replacing any missing elements, add guidance to help entities assess whether an acquired process is substantive, narrow the definitions of a business and of outputs, and introduce an optional fair value concentration test. Since the amendments are effective for acquisitions or business combinations occurring on or after January 1, 2020, the Company does not expect an impact from these amendments on the date of transition.

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial liabilities, other than derivatives, comprise accounts payable, bank loans and overdrafts, and debentures. The main purpose of these financial instruments is to manage short-term cash flow and raise finance for the Group's capital expenditure program. The Group has various financial assets such as trade and other receivables and cash and short-term deposits that arise directly from its operations.

The Group manages its exposure to key financial risks in accordance with its financial risk management policy. The objective of the policy is to support the delivery of the Group's financial targets while protecting future financial security. The main financial risks that could adversely affect the Group's financial assets, liabilities or future cash flows are: market risks, comprising commodity price risk, cash flow interest rate risk and foreign currency risk; and liquidity risk and credit risk.

The Group's overall risk management plan focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance. Risk management is carried out by the administration and finance department supervised by the Chief Financial Officer. The Board of Directors reviews and agrees policies for managing each of these risks summarized below. The Group is continuously updating and reviewing its financial manual to ensure proper and uniform entries and reporting of all transactions, in accordance with IFRS and Group policy. The Board provides management with guidelines for overall risk management.

3.1 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: commodity price risk, interest rate risk and currency risk. Financial instruments affected by market risk include: loans and borrowings, deposits, trade receivables, trade payables, accrued liabilities and derivative financial instruments.

Foreign exchange risk;

The Group operates internationally and is, to some extent, exposed to foreign exchange risk arising from currency exposures with respect to the following currencies; NOK, ARS and COP. Revenue is invoiced to the customers in USD, while operating expenses are mostly denominated in USD, NOK, ARS and COP. Foreign exchange risk arises from future commercial transactions, recognized assets and liabilities and the investment of excess liquidity. Currently, the Company uses no derivative financial instruments to hedge the above mentioned risk exposures.

At 31 December 2020, if the USD had weakened / strengthened by 10% against NOK and COP with all other variables held constant, post-tax profit for the year would have been respectively USD 78 000 and USD 269 000 (2019: 93 000 and USD 348 000) higher / lower, mainly as a result of foreign exchange gains / losses on translation of NOK and COP denominated cash and NOK and COP denominated borrowings. The impact on the Group equity would have been the same as for the post tax profit.

Price risk;

The Group is exposed to changes in oil prices. The results of Interoil's operations largely depend on a number of factors, most significantly those that affect the price Interoil receive for the sold products. Specifically, such factors include the level of crude oil and some extent natural gas prices. Interoil's results will also be affected by trends in the international oil industry, including possible actions by governments and other regulatory authorities in the jurisdictions in which we operate, or possible or continued actions by members of the Organization of Petroleum Exporting Countries (OPEC) and other major oil producing countries that affect price levels and volumes; increasing cost of oilfield services, supplies and equipment; increasing competition for exploration opportunities and operatorship's, and deregulation of the markets, which may cause substantial changes to the existing market structures and to the overall level and volatility of prices.

If the net oil price of the oil sold had been USD 10 per barrel higher than the net realized price received, the net operating income effect would be USD 1,6 million (2019: USD 2,6 million). The net income effect of an increased oil price of USD 10 per barrel would have been the same, USD 1,6 million (2019: USD 2,6 million). The impact on the Group equity would have been the same as for net income. The estimated sensitivity of each of the factors on the financial results has been estimated based on the assumption that all other factors would remain unchanged. The estimated effects on the financial results would differ from those that would actually appear in the Group's consolidated financial statements because the consolidated financial statements would also reflect the effect on depreciation, trading margins, exploration expenses, inflations and potential tax system changes.

Interest rate risk;

As the Group has no significant interest-bearing assets, the group's income and operating cash flows are substantially independent of changes in market interest rates. The group's interest rate risk arises from borrowings. Borrowings issued at variable rates expose the group to cash flow interest rate risk. Borrowings issued at fixed rates expose the group to fair value interest rate risk. During 2020 and 2019, the group's borrowings at variable rate were denominated in COP and USD, while the borrowings at fixed rates were denominated in USD.

The group analyses its interest rate exposure on a dynamic basis. The group calculates the impact on profit and loss of a defined interest rate shift. The scenarios are run only for liabilities that represent the major interest-bearing positions.

Based on the simulations performed, the impact on post-tax profit of a 1.0% shift in interest rates on borrowings issued at variable rates would be a maximum increase / decrease in interest expense of USD 272 000 (2019: USD 382 000).

3.2 Credit risk

Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables and committed transactions. Credit risk is, in other words, the risk that Interoil's customers or counterparties will cause financial loss by failing to honor their obligations. Interoil sells its production in Colombia and Argentina to different market players.

Sale of services in relation to the operation and maintenance contract with Ecopetrol amounted to USD 2 million for 2019 and USD 0.3 million by this concept during 2020.

The credit risk is considered to be low due to the credit worthiness of these customers. Management does not expect any losses from non-performance by these counterparties. Maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. A minimum of the current trade and receivables are past due. No impairment charges are made.

3.3 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and develop operations according to budget. Liquidity risk is the risk that the Group will not be able to meet all obligations when due. The purpose of liquidity and short term liability management is to make certain that the Group at all times has sufficient funds available to cover financial and operational obligations in addition to fund the Group's drilling program. Funding needs arise as a result of the Group's general business activity. Liquidity forecasts serve as tools for financial planning. New non-current funding will be initiated if liquidity forecasts reveal non-compliance with given limits, unless further detailed considerations indicate that the non-compliance is likely to be temporary. In this case, the situation will be further monitored.

Management monitors rolling forecasts of the Group's expected cash flow from operations. Weekly, monthly and quarterly reports are reviewed and analyzed by management and all cost categories are matched with budgets and historical figures. Important accounts are reconciled on a continuous basis.

The market conditions are very challenging. Continuous variances in oil prices put pressure on profitability and cash. The Company has implemented and maintain cost cutting programs to try to mitigate the effects of the low prices and will further force reduction in administrative expenses.

The Group will have certain events that can cause liquidity constraints, such as the guarantee and drilling obligations in relation to Altair and LLA-47.

3.4 Capital Management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in the short run and to provide returns for shareholders, benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital in the long run. See note 4 for additional information on going concern. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. Due to tight liquidity over several years, the Group has not had the capability to declare dividends.

The Group's cash flow from operations may not be sufficient to fund its ongoing activities and implement its business plans. From time to time the Group may enter into transactions to acquire assets or the shares of other companies. These transactions, along with the Group's ongoing operations, may be financed partially or wholly with debt, which may increase the Group's debt levels above industry standards. Depending on future exploration and development plans, the Group may require additional financing, which may not be available or, if available, may not be available on favorable terms. Failure to obtain such financing on a timely basis could cause the Group to forfeit or forego various opportunities.

The Group has a significant amount of debt. A breach of the terms of the Company's current or future financing agreements may cause the lenders to require repayment of the financing immediately and to enforce security granted over the Group's assets, including its subsidiaries. If the Group is unable to comply with the terms of the financing agreements and accordingly is required to obtain additional amendments or waivers from its lenders relating to an existing or prospective breach of one or more covenants in its financing agreements, the lenders may require the Group to pay significantly higher interest going forward.

The operations of the Group are conducted through its subsidiary in Colombia and Argentina and a bank facility is secured on the Colombian assets. In the event of insolvency, liquidation or a similar event relating to the Company's subsidiaries, all creditors of such subsidiary would be entitled to payment in full out of the assets of such subsidiary before the Company, as a shareholder, would be entitled to any payments. Defaults by, or the insolvency of, certain subsidiaries of the Group could result in the obligation of the Company to make payments under parent financial or performance guarantees in respect of such subsidiaries. Additionally, the Company or its assets may become directly subject to a bankruptcy or similar proceeding initiated against a subsidiary. There can be no assurance that the Company and its assets would be protected from any actions by the creditors of any subsidiary of the Group, whether under bankruptcy law, by contract or otherwise.

The exploration and development of hydrocarbon reserves are highly capital intensive, and are associated with considerable uncertainty in terms of the relationship between budgeted costs and actual costs. The Group may therefore, from time to time, experience that the actual costs of one or more of its developments and/or undertakings are materially higher than the projected costs. The Group will also be required to make substantial capital expenditure for the acquisition of oil and gas reserves in the future.

The Group may hence require additional funding in the future to cover working capital and investment needs for future development and growth. There can be no assurance that the Group will be able to obtain necessary funding in a timely manner and on acceptable terms. Should the Group not be able, at any time, to obtain the necessary funding in a timely manner and on acceptable terms, the Group may be forced to reduce or delay capital expenditures or sell assets or businesses at unanticipated times and/or at unfavourable prices or other terms, or to seek additional equity capital (having a dilutive effect on existing shareholders) or to restructure or refinance its debt. There can be no assurance that such measures would be successful or would be adequate to meet debt and other obligations as they come due, or would not result in the Group being placed in a less competitive position.

Interoil's total assets as of 31 December 2020, amount to USD 35,1 million (2019: USD 41,5 million). Total cash and cash equivalents were USD 3,7 million (2019: USD 4,8 million), whereof USD 3 million is restricted (2019: USD 3 million).

Due to challenging market conditions faced before 2017 and difficult operational conditions from 2018 to 2020, the Company had a loss of USD 13,8 million during 2020 (2019: USD 9,4 million) . This led to an identical decrease in the book equity for that year. The total interest-bearing debt as of 31 December 2020, is USD 24,9 million (2019: USD 41 million). As at 31 December 2020 the Group's equity is USD -6 million (2018: USD -10,3 million).

In 2020 oil prices suffered the impact of severe lock-down measures as a response to Covid-19, with Brent crude reaching negative numbers. Under the current market, most possible projects are not profitable, and the Company is seeking to extend drilling obligations and guarantee obligations under the agreement of April 22, 2020 published by the ANH.

The Group is constantly monitoring and adjusting the capital structure in light of actual and anticipated developments for its operations.

4. GOING CONCERN

The financial statements in the 2020 Annual Report have been prepared under the going concern assumption in accordance with the Norwegian Accounting Act §3-3 and the Board of Directors hereby confirms that this assumption is valid.

The income for 2021 is dependent on two factors: current flowing production and the future production of the drilling of three new exploratory wells. Significant uncertainty is present on the outcome of these explorations and therefore, on future income coming from that source.
At this stage the Board are confident that the ongoing operations will have a positive outcome. However, if some of the ongoing initiatives come out with a negative result, there is uncertainty on available cash that may cast significant doubt on the company's ability to continue as a going concern.
If the Group cannot be treated as going concern the valuation of the Group's assets will need to be further revised. Valuation of assets without the going concern assumption could result in further impairment.

5. RESTATEMENT OF FINANCIAL STATEMENTS

Some figures presented in the financial statements as of December 31, 2019 published on June 05 2020, were reclassified as a result of additional analysis to correct the recognition, measurement, and disclosure of the amounts initially presented:

As of 31 December 2019

Amounts in USD 1000	Report presented in 2019	Comparative In 2020 report	Change	Reason for the restatement
Sales	17.072	16.386	-686	To show interoil net revenue,
Cost of goods sold	-7.511	-6.825	686	reclassifying SLS partner participation.
Exploration cost expensed	-964	-2.964	-2.000	Exploration expenses no taken to PL
Impairment	-1.547	-1.323	224	Higher impairment calculated
Net effect	**-2.511**	**-4.287**	**-1.776**	

6. SEGMENT INFORMATION

The Group's organizational structure reflects the different activities in which Interoil is engaged. Management has determined the operating segments based on reports that are reviewed and used to make strategic decisions. The Group has two reportable segments, Colombia and Argentina, which consists of upstream activities including oil and natural gas exploration, field development and production from the Group's licenses in Colombia and concessions in Argentina, which are the Group's strategic business units.

No operating segments have been aggregated to form the above reportable operating segments.
Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on production, operating profit or loss and is measured consistently with operating profit or loss in the consolidated financial statements.
The consecution of sufficient and appropriate documentation supporting financial statement from Argentina segments have been challenging for years 2019 and 2020, it is expected to improve for future periods.

Segment revenues and segment results include transactions between business segments. These transactions and any unrealised profits and losses are eliminated. Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.
Corporate/unallocated consists of other business and Corporate activities.

License	Interest	Stage
Colombia		
Puli C	70 %	Production
Vikingo	80 %	Production
Altair	90 %	Production/Exploration
LLA-47	100 %	Production/Exploration
Argentina		
Mata Magallanes Oeste	80 %	Production/Exploration
Cañadon Ramirez	80 %	Exploration
La Brea	80 %	Production/Exploration
Chorrillos	8.34%	Production/Exploration
Campo Bremen	8.34%	Production/Exploration
Oceano	8.34%	Production/Exploration
Moy Aike	8.34%	Production/Exploration
Palermo Aike	8.34%	Production/Exploration

As of 31 December 2020

Amounts in USD 1000	Colombia	Argentina	Norway	Unall. / Elim.	Group continuing business
Total Revenue	8.082	868	308	-308	8.950
Cost of goods sold ex depreciation	-4.044	-2.003	-	-	-6.047
Depreciation	-6.900	-195	-	-	-7.095
Gross profit/(loss)	**-2.862**	**-1.330**	**308**	**-308**	**-4.192**
Exploration cost expensed	-992	-	-	-	-992
Administrative expense	-2.391	-	-541	308	-2.624
Impairment	982	-2.266	-34.768	34.768	-1.284
Other income	-490	-	-	-	-490
Result from operating activities	**-5.753**	**-3.596**	**-35.001**	**34.768**	**-9.582**
Finance income	2.946	-	3.037	-2.091	3.892
Finance costs	-5.390	-	-4.884	2.091	-8.183
(Loss) before income tax	**-8.197**	**-3.596**	**-36.848**	**34.768**	**-13.873**
Income tax expense	79	-	-	-	79
(Loss) for the period	**-8.118**	**-3.596**	**-36.848**	**34.768**	**-13.794**
Other comprehensive loss	-	-	-	-	-
Total comprehensive (loss)income	**-8.118**	**-3.596**	**-36.848**	**34.768**	**-13.794**

For impairment in Norway segment please see note 9 of Interoil exploration and production ASA stand alone financial statements.

As of 31 December 2019

Amounts in USD 1000	Colombia	Argentina	Norway	Unall. / Elim.	Group continuing business
Total Revenue	16.124	262	612	-612	16.386
Cost of goods sold ex depreciation	-6.036	-789	-	-	-6.825
Depreciation	-7.595	-	-	-	-7.595
Gross profit/(loss)	**2.493**	**-527**	**612**	**-612**	**1.966**
Exploration cost expensed	-2.964	-	-	-	-2.964
Administrative expense	-3.602	-	-577	612	-3.567
Impairment	-1.323	-	-	-	-1.323
Other income	502	-	-	-	502
Result from operating activities	**-4.894**	**-527**	**35**	**-**	**-5.386**
Finance income	1.381	-	2.135	-2.125	1.391
Finance costs	-2.566	-	-4.765	2.125	-5.206
(Loss) before income tax	**-6.079**	**-527**	**-2.595**	**-**	**-9.201**
Income tax expense	-216	-	-	-	-216
(Loss) for the period	**-6.295**	**-527**	**-2.595**	**-**	**-9.417**
Other comprehensive loss	-	-	-	-	-
Total comprehensive (loss)income	**-6.295**	**-527**	**-2.595**	**-**	**-9.417**

Other Segment information include:

As of 31 December 2020

Amounts in USD 1000	Colombia	Argentina	Corporate/ unallocated	Unall. / Elim.	Group continuing business
Property, plant and equipment	14.878	8.810	-	(914)	22.774
Exploration assets	-	3.605	-	-	3.605
Other assets	8.073	573	53	-	8.699
Total segment assets	**22.951**	**12.988**	**53**	**-914**	**35.078**
Borrowings	-1.483	-	24.817	-	23.334
Trade and other payables	2.704	1.165	1.565	58	5.492
Other liabilities	7.370	1.948	1.364	-	10.682
Total segment liabilities	**8.591**	**3.113**	**27.746**	**58**	**39.508**
Capital expenditure	**70**	**971**		**-**	**1.041**
Other segment information					
Lifting cost (See note 8)	-3.250	-1.640	-	-	-4.890
Impairment	1.323	-2.266	-	-	-943

As of 31 December 2019

Amounts in USD 1000	Colombia	Argentina	Corporate/ unallocated	Unall. / Elim.	Group continuing business
Property, plant and equipment	18.356	8.395	-	(1.109)	25.642
Exploration assets		3.605	-	-	3.605
Other assets	11.881	336	40	-	12.257
Total segment assets	**30.237**	**8.731**	**40**	**(1.109)**	**41.504**
Total segment liabilities	**13.859**		**37.928**	**-**	**51.787**
Capital expenditure	**3.511**	**12.000**	**0**	**-**	**15.511**
Other segment information					
Lifting cost (See note 8)	5.941	-	-	-	5.941
Impairment	-1.323	-	-	-	-1.323

7. SALES AND ROYALTY AGREEMENTS

For the year ended 31 December

Amounts in USD 1000	2020	2019
Sale of oil	6.434	12.314
Sale of gas	2.190	2.757
Sale of services	326	2.001
Total sales	**8.950**	**17.072**

Sale in barrels (see note 35).

Royalty agreements in Colombia

The royalty payment in percentage of gross oil price in accordance with royalty agreement with Ecopetrol and with ANH (Hydrocarbons national agency) in Colombia varies between 8 – 20% and is paid in cash or in kind (oil) depending on contract.

The royalty payments made in oil have been deducted from total sales reported by the Group.

The royalty payments made in cash are included as part of the cost reported by the Group.

Royalty agreements in Argentina

Revenues from concession contracts are subject to three fiscal charges. Royalties range from 12 per cent to 18 per cent, depending on the contract and a further sales tax, called the "IIBB", that varies amongst provinces and is in the range of 2.5 per cent to 3.5 per cent. Corporate net profits are then taxed at a Federal tax rate of 35 per cent, although both royalties and provincial taxes are deductible as an expense in the Federal tax assessment.

8. COST OF GOODS SOLD

For the year ended 31 December

Amounts in USD 1000	2020	2019
Lifting costs	4.890	5.941
Changes in inventory	388	-186
Other costs	769	1.756
Total cost of goods sold	**6.047**	**7.511**
Depreciation (note 17)	**7.095**	**7.595**
Lifting costs, specifications:		
Field production costs	3.169	2.799
Tariffs and transportation	1.243	1.219
Insurance	110	99
Production costs external consultants	34	92
Well services and workovers	98	587
Repairs and maintenance of installations/equipment	236	395
Other		750
Total lifting costs	**4.890**	**5.941**

9. EXPLORATION COST EXPENSED

For the year ended 31 December

Amounts in USD 1000	2020	2019
Other exploration cost expensed	-992	-2.964
Total exploration cost expensed	**-992**	**-2.964**

Other exploration cost is related to Llanos 47 area exploration activities.

10. ADMINISTRATIVE EXPENSES

For the year ended 31 December

Amounts in USD 1000	2020	2019
Employee benefit expenses	331	330
General and administration expenses	2.035	3.027
Depreciation non-oil assets	258	210
Total administrative expenses	**2.624**	**3.567**

Employee benefit expenses, specifications:

Salaries and wages employees	163	263
Other personal expenses	14	24
Other payroll related expenses	69	39
Pension cost – defined contribution plan (note 22)	85	4
Total employee benefit expense	**331**	**330**
Average number of employees	45	44

11. TRANSACTIONS WITH RELATED PARTIES

Consolidated subsidiaries

Interoil Exploration and Production ASA has 100% (direct and indirect) shareholding and voting rights in the following subsidiaries:

Company	Registered business address	shareholding voting rights
UP Colombia Holding AS	Norway	100%
Interoil Colombia Exploration and Production Inc.	BVI	100%
Interoil Colombia Exploration and Production (Branch)	Colombia	100%
Interoil Argentina AS	Norway	100%
Oil Investment Inc	Panama	100%
Oil Investment Inc (Branch)	Argentina	100%
Interoil Argentina SA	Argentina	100%
Interoil Drilling Services AS	Norway	100%
Interoil Peru Holding AS	Norway	100%

All subsidiaries are included in the consolidated financial statements for 2020 and 2019. See note 2.2 for consolidation principles.
Transfer prices with consolidated subsidiaries are on an arm's length basis in a manner similar to transactions with third parties.

The following assets have been pledged as security for the interest-bearing borrowings (see note 27)

Assets owned by Interoil Exploration and Production ASA:

• All shares invested in UP Colombia Holding AS (see Parent Company note 11) - total book value: USD 25 257, (2019: 25 257)
• All current and future rights and receivables under the intercompany loans – total book value: USD 21 568 (2019: 21 568)

Assets owned by UP Colombia Holding AS:
• Inventory, operating assets, receivables and bank accounts – total book value of USD 10 071 (2019: 10 183)
UP Colombia Holding AS acts as an independent primary obligor for the bond loan (see note 27)

Transactions with subsidiaries

For more information regarding transactions with subsidiaries see Parent Company note 11.

Transactions between related parties and Interoil, are related to consultancy fees, ordinary salary and board fees described in note 11.

12. REMUNERATION OF SENIOR EXECUTIVES

The Group Senior Management consists of the CEO, CFO and General Manager.
The Group management is not part of a pension scheme, and there are no benefits in kind.
The employment contract for the General Manager can be terminated on 3 month notice with payments for the period. The General Manager is entitled to a severance pay of 9 months salary.
Members of the Board of Directors have no right to severance payment.
No loans have been given to, or guarantees given on behalf of, any members of the Group Management, the Board or other elected corporate bodies.
The compensation structure and guidelines for Executive Management and key employees are subject to annual review and approval by the Board of Directors.

Management remuneration 2020

Amounts in USD 1000		Period	Salary	Bonus	Other
Leandro Carbone	CEO	01.01-31.12	129	-	-
Pablo Creta	GM/CFO	01.01-17.07	40	-	-
Luis Alvarez	CFO	17.07-31.12	27	-	-
Francisco Vozza	GM	17.07-31.12	13	-	-

Management remuneration 2019

Amounts in USD 1000		Period	Salary	Bonus	Other
Leandro Carbone	CEO	01.01-31.12	156	-	-
Pablo Creta	GM/CFO	01.01-31.12	68	-	-

Remuneration of senior executives in 2020 was in accordance with the declaration that was submitted to the

General meeting in 2020.

Annual board member remuneration for 2020 and 2019 is set to NOK 400 000 for the Chairman of the Board, and NOK 200 000 for all other Board members. There will be no extra fee in relation to the audit committee, and no fee to the Nomination Committee.

Board member remuneration paid 2020

Amounts in USD 1000		Period	Board member fee	Consultancy fee	Other
Hugo Quevedo	Chairman	01.01-31.12	43	-	-
Mimi Berdal	Member	01.01-31.12	21	21 *	-
Nicolas Acuña	Member	01.01-31.12	21	-	-
Maria R. S. Moreno	Member	01.01-28.02	-	-	-
Natalia Mariani	Member	01.01-27.06	-	-	-
Jorge Brown	Member	01.01-27.06	-	-	-
German Ranftl	Member	27.06-31.12	-	-	-
Laura Marmol	Member	27.06-31.12	31	-	-
Carmela Saccomanno	Member	27.06-31.12	31	-	-

* Mimi Berdal has a consultancy agreement with the Company. She will provide assistance and advice to the Company on a current and stand-by basis with matters pertaining to Norwegian markets and relations.

Board member remuneration paid 2019

Amounts in USD 1000		Period	Board member fee	Consultancy fee	Other
Hugo Quevedo	Chairman	01.01-31.12	46	-	-
Mimi Berdal	Member	01.01-31.12	23	-	-
Nicolas Acuña	Member	01.01-31.12	24	-	-
Maria R. S. Moreno	Member	01.01-28.02	4	-	-
Natalia Mariani	Member	01.01-27.06	14	-	8
Jorge Brown	Member	01.01-27.06	12	-	-
German Ranftl	Member	27.06-31.12	11	-	-
Laura Marmol	Member	27.06-31.12	12	-	-
Carmela Saccomanno	Member	27.06-31.12	12	-	-

13. EXTERNAL AUDIT REMUNERATION

PricewaterhouseCoopers (PwC) was elected auditors for the group in 2015. The following table shows total audit and non-audit fees expensed in the period, excluding VAT:

For the year ended 31 December 2020

Amounts in USD 1000	Audit fee	Other assurance services	Tax services	Other n-assurance services	Total
PwC Norway	81	-	-	45	126
PwC Colombia	43	-	6	-	49
PwC Argentina	20	-	-	-	20
Total	**144**	**-**	**6**	**45**	**195**

For the year ended 31 December 2019

Amounts in USD 1000	Audit fee	Other assurance services	Tax services	Other n-assurance services	Total
PwC Norway	98	-	-	38	136
PwC Colombia	50	-	9	12	71
Total	**148**	**-**	**9**	**50**	**207**

14. OTHER INCOME / (EXPENSE)

For the year ended 31 December

Amounts in USD 1000	2020	2019
Refund of operating expenses (see note 2.7)	303	47
Gain on sale of PP&E	4	-
Other income	134	455
Total other income	**441**	**502**
Provision for legal claims (see note 31)	877	-
Other expense	54	-
Total other expense	**931**	**-**
Total other income (expense)	**-490**	**502**

15. FINANCE INCOME AND COST

For the year ended 31 December

Amounts in USD 1000	2020	2019
Interest income	29	21
Realized/unrealized exchange rate gain	2.968	1.367
Other financial income	895	3
Total financial income	**3.892**	**1.391**
Interest expenses	3.586	3.109
Tax claim Interest expense (see note 31)	1.707	-
Realized/unrealized exchange rate loss	2.623	1.317
Other financial expenses	267	780
Total financial expenses	**8.183**	**5.206**
Finance (expenses)/income – net	**-4.291**	**-3.815**

16. TAXES

The major components of income tax (credit)/expense are:

For the year ended 31 December

Amounts in USD 1000	2020	2019
Consolidated income statement:		
Current income tax:		
Current income tax charge	-202	-675
Tax claim expense	-877	-
Deferred tax:		
Change in temporary differences	870	459
Prior year adjustments	288	-
Income tax (credit)/expense in income statement	**79**	**-216**

Current income tax in 2020 include USD 877 corresponding to the tax part of the liability recognized regarding Tax claim against Colombia tax authority, (see note 31).

A reconciliation between tax expense and the product of accounting profit and the nominal tax rate:

Amounts in USD 1000	2020	2019
Accounting (loss)/profit before income tax	13.873	9.201
Expected income tax according to nominal tax rate	-4.436	-3.036
Prior year adjustments	288	-
Permanent differences	4.237	2.508
Tax claim expense	-877	-
Exchange rate effect	867	312
Total income taxes	**79**	**-216**

Nominal tax rate in Norway, Colombia and Argentina is respectively 22% and 32% and 30% for 2020 22% and 33% and 30% for 2019.

Deferred tax relates to the following:

Deferred tax liability recognized in balance sheet:

Amounts in USD 1000	2020	2019
Fixed assets	1.568	1.782
Provisions	-1.568	-912
Deferred tax liabilities	-	**870**

Deferred tax assets not recognized in balance sheet:

Amounts in USD 1000	2020	2019
Provisions	-	213
Tax losses	19.200	17.985
Deferred tax assets not recognized in balance sheet	**19.200**	**18.198**

The tax rate in Norway is 22% for 2020. The marginal tax rate under the GTA in 2020 will be 24%.
In Norway there are tax loss carrying forward of USD 87,2 million, not recognized in financial statements.

Tax liability

A tax liability was recognized based on current information about income tax claim with Tax authority:

Rejection of the amortization in exploration investments USD 1.355: DIAN rejects the expenses declared by the Company for the concept of the acquisition of geophysical and geological services, arguing that the method of successful efforts is a system that contravenes the accounting standards and principles in Colombia, which is way such expenses have to be recorded as deferred assets, with the only possibility to deduct them being in the form of amortization under Articles 142 and 143 of the Tax Code (hereinafter "the T.C."). The High Administrative Court by means of the judicial sentence of April 22, 2021 (Claimant Perenco Oil and Gas Colombia Limited) created a negative preceding for the Company because it established that the exploration study's must be recorded as deferred assets. Therefore, the Likelihood of loss was qualified on probable.

Rejection of administrative operating expenses USD 2.106: The current jurisprudence of the High Administrative Court maintains that for the accreditation of the requirement laid down in article 124 of the ET, it is not important to determine the nature of the income, since the withholding requirement regarding the payment made is a legal condition for the origin of the deduction, except that the legislator Interoil Colombia Exploration and Production Lawsuit Report May 2021 3 establishes events where the deduction proceeds without making the withholding, a fact that did not occur in the particular case, because within the limitations that can be lifted according to article 260-7 of the ET, this event is not provided for in article 124. Therefore, the payment made by Interoil was conditioned to the withholding tax mechanism without that the effects of article 260-7 can be extended, since the tax benefits are exhaustive and restrictive. For the above reasons, the possibility of losing is probable.

The liability was accounted as follows:

Amounts in USD 1000	2020	Note
Tax on claim	877	
Sanction	877	14
Interests	1.707	15
Total Liability	**3.461**	31

17. PROPERTY, PLANT AND EQUIPMENT

Cost	Oil & Gas properties	Land and buildings	Plant & machinery	Trans-portation	Office equipment	Total
As at January 1 2019	**85.843**	**1.729**	**11.484**	**635**	**593**	**100.283**
Additions	11.042	-	663	193	8	11.906
Changes in ARO	-727	-	-	-	-	-727
As at December 31 2019	**96.158**	**1.729**	**12.147**	**828**	**601**	**111.462**
Additions	797	-	244	-	-	1.041
Changes in ARO	1.786	-	-	-	-	1.786
Reclasification	-1.746	-	-	-	-	-1.746
Disposals	-54	-	-	-	-	-54
As at December 31 2020	**96.941**	**1.729**	**12.391**	**828**	**601**	**112.489**
Depreciation and Impairment						
As at January 1 2019	**-64.324**	**-266**	**-7.522**	**-470**	**-505**	**-73.087**
Depreciation	-6.983	-136	-626	-43	-18	-7.805
Impairment and reversal	-1.323	-	-	-	-	-1.323
As at December 31 2019	**-72.630**	**-402**	**-8.148**	**-513**	**-522**	**-82.215**
Depreciation	-6.643	-136	-451	-94	-29	-7.353
Impairment and reversal	-107	-	-40	-	-	-147
As at December 31 2020	**-79.380**	**-538**	**-8.639**	**-607**	**-551**	**-89.715**
Net value						
As at December 31 2019	**23.529**	**1.327**	**3.999**	**315**	**78**	**29.247**
As at December 31 2020	**17.562**	**1.191**	**3.752**	**221**	**49**	**22.774**

The depreciation expense has been charged to the consolidated statement of comprehensive income as follows:

Amounts in USD 1000	2020	2019
Depreciation	7.095	7.595
Administrative expenses	258	210
Total depreciation expense	**7.353**	**7.805**

The impairment has been generated as follows:

Amounts in USD 1000	2020	2019
Impairment		
Santa Cruz	-151	-
Mata Magallanes Oeste	-978	-
Llanos 47	-	-1.323
Gas plant (see note 19)	-341	-
Impairment reversal		
Llanos 47	1.323	-
Total assets impairment	**-147**	**-1.323**
Other impairment charges		
Santa Cruz Good Will (See note 20)	-1.131	-
Inventory	-6	-
Total Impairment expense	**-1.284**	**-1.323**

Impairment testing of individual cash-generating units are performed when impairment indicators are identified. The significant decrease in proved gas reserves is considered to represent an impairment trigger, and an impairment test of fixed assets has been performed.

Impairment is recognised when the book value of an asset of cash generating unit exceeds the recoverable amount. The recoverable amount is the higher of the asset's fair value less cost to sell and value in use.

As a result of a significant variation in the forecast for crude oil and gas benchmark prices during the year 2020, the Company performed an impairment test on its CGUs. The recoverable amount of each CGU was calculated using fair value approach based on the Company's updated projections of future cash flows generated from proved and probable reserves P2 and discounted using a n after-tax rate that reflects the current market valuation of the time value of money, and the specific risk related to the asset. The discount rate was determined by reference to the Company's weighted average cost of capital of 8.25% for Colombia and 16% for Argentina. Cash flows are projected for the estimated lifetime of each field.
The recoverable amounts were calculated using long-term Brent oil prices:

Year	2.021	2.022	2.023	2.024	2.025	2.026	2.027	2.028	2.029
Brent	59,60	56,14	54,10	52,99	52,49	52,29	52,31	52,25	52,17

As a result of the impairment test, the carrying amount of Santa Cruz CGU, MMO CGU and Gas plant asset exceeded their recoverable amount resulting in an impairment charge of USD 1.5 million while in Llanos 47 CGU the recoverable amount exceeds significantly the carrying amount generating a recovery of USD 1.3 million.

The results of the impairment tests are sensitive to changes in other estimates such as revisions in reserves, expected production, local price differentials, future operating costs and development capital expenditures, long-term inflation and foreign exchange rates which could impact the calculation of recoverable amounts for CGUs. See note 2.17 and 31 for further information.

As at December 31, 2020, the recoverable amounts of CGUs are most sensitive to changes in the discount rate and future oil prices. A 1% change in the discount rate would impact the recoverable amount by approximately USD 0.6 million and a USD 1 change in the forecasted oil prices would impact the recoverable amount by approximately USD 0.7 million. The results of the impairment tests are sensitive to changes in other estimates such as revisions in reserves, expected production, local price differentials, future operating costs and development capital expenditures, long-term inflation and foreign exchange rates which could impact the calculation of recoverable amounts for CGUs.

Santa Cruz Assets impairment corresponds to a goodwill recognized in January 2020, at the acquisition date, as part of the purchase price allocation (See note 20), at the end of the year the complete amount was subject to impairment.

18. EXPLORATION AND EVALUATION ASSETS

Period ended 31 December

Amounts in USD 1000	2020	2019
At January, 1	3.605	-
Additions	-	3.605
As at December 31, 2020	**3.605**	**3.605**

Exploration and evaluation assets correspond to Cañadon Ramirez and La Brea assets acquired in 2019. For more detail, please refers to the Board of Directors report, section operations/Argentina.
During 2020 there were no impairment indicators for these areas.

19. ASSETS HELD FOR SALE

In 2017, the group acquired and refurbished to new a gas treatment plant meant to be used in the Puli C contract where a special environmental approval needed to be granted by the Colombian Environmental (ANLA) prior to its used. By the time the environmental permit was granted the need for a gas treatment plant in Puli C was commercially solved by selling Puli C raw gas to a third party; thus, the group decided to sell the gas treatment plant. The company have received an offer In the 4Q 2020 for USD 1,8 million. This asset was transferred from property plant and equipment to Asset held for sale in 2020 net of cost of selling:

Amounts in USD 1000	
Value of the asset in property plant and equipment	2.141
Commercial cost	1.800
Impairment	-341
Sale cost	-54
Net transferred from property plant and equipment to assets held for sale	1.746
As at December 31, 2020	**1.746**

20. BUSINESS COMBINATION

During the first quarter of 2020 Santa Cruz Assets were acquired through an asset purchase agreement. This acquisition was made through shares issuing.

The assets and liabilities recognised as a result of the acquisition are as follows:

Amounts in USD 1000	Fair Value
Cash	31
Trade receivables	39
Inventories	51
Prperty plant and equipement	415
Other assets	17
Trade payables	-426
Other liabilityes	-259
Net identifiable assets acquired	**-131**
Add: goodwill	1.131
Net assets acquired	**1.000**

The goodwill is attributable to the potential reserves of oil to be developed in the fields and the high volume of liabilities assumed. The total goodwill was impaired as of December 31 2020, see note 17
There were no business combinations in the year ending 31 December 2019.

21. TRADE AND OTHER RECEIVABLES

Period ended 31 December

Amounts in USD 1000	2020	2019
Trade receivables	729	619
Trade receivables – net	**729**	**619**
Joint operations accounts	-108	19
Prepayments	372	360
VAT receivable	10	13
Other short-term receivables	18	220
Total trade and other receivables	**1.021**	**1.231**

Trade and other receivables are non-interest bearing and are generally on 15 – 90 days terms. As of 31 December 2020, and 2019 no trade receivables were past due, whereof USD 0 is impaired and Its ageing analysis of trade receivables locate all the amount as not due.
The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of the receivables mentioned above. The Group does not hold any collateral as security.

22. RETIREMENT BENEFIT

Defined benefit plan

Interoil Exploration & Production ASA (Norway) had until 2019 a defined benefit plan for employees in the Norwegian parent company. The Norwegian company meets the Norwegian requirements for mandatory occupational pension. As of December 31, 2020, Interoil Exploration & Production ASA has no employees.

Interoil Colombia – the branch office, had a defined plan for employees in the period from 1991 to 1994. From 1995 it was mandatory for all Colombian employees to be affiliated to a private or public pension fund, and the defined plan stopped.

The following tables summarize the components of the defined benefit plan:

Amounts in USD 1000	2020	2019
Defined benefit obligation at the end of the year	762	677
Retirement benefit obligation liability	**762**	**677**

The movement in the defined benefit obligation over the year is as follows:

Amounts in USD 1000	2020	2019
Beginning of the year	677	673
Interest cost	107	7
Exchange rate differences	-22	-3
Retirement benefit obligation liability	**762**	**677**

The amounts recognized in profit or loss are as follows:

Amounts in USD 1000	2020	2019
Interest cost	107	7
Exchange rate differences	-22	-3
Total defined benefit plan, income/(expense) (note 10)	**85**	**4**

The principal actuarial assumptions used were as follows:

	2020	2019
Discount rate	5,25%	5,25%
Inflation rate	3,00%	3,00%
Future salary increases	3,00%	3,00%
Future pension increases	3,00%	3,00%

Defined contribution plan

The Group's subsidiary in Colombia have defined contribution plans in accordance with local legislation.

The contributions recognized as expenses:

Amounts in USD 1000	2020	2019
Contributions (see note 10)	**85**	**4**

23. INVENTORIES

Period ended 31 December

Amounts in USD 1000	2020	2019
Spare parts etc	382	352
Crude oil	108	495
Total inventories	**490**	**847**

24. FINANCIAL INSTRUMENTS

Amounts in USD 1000	Notes	Assets and liabilities at amortized cost	Total carrying amount	Fair value
Current:				
Trade and other receivables	21	1.021	1.021	1.021
Cash and cash equivalents	25	5.442	5.442	5.442
Total financial assets		**6.463**	**6.463**	**6.463**
Non-current:				
Bond loan	28	21.351	25.432	22.706
Liabilities to financial institutions	28	1.971	1.971	1.971
Current:				
Bond loan	28	1.427	1.427	1.427
Trade and other payables	30	5.492	5.492	5.492
Other long term payables	31	3.461	3.461	3.461
Liabilities to financial institutions	28	182	182	182
Total financial liabilities		**33.884**	**37.965**	**35.239**

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

The bond loan is included in level 2, the rest of assets and liabilities are included in level 3.

During the reporting period ending 31 December 2020, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers in and out of Level 3 fair value measurements.

The carrying amount of trade and other receivables approximate their fair value.
The carrying amount of trade and other payable is considered to approximate their fair value.
The fair value of the other non-current interest-bearing liabilities equals their carrying amount.
The carrying amount of the current interest-bearing liabilities approximates the fair value.

The fair value of the bond loan has been calculated using the discounted cash flow method. The cost of capital is set to the interest rate for a similar bond with similar security in the market, 12%.

25. CASH AND CASH EQUIVALENTS

Period ended 31 December

Amounts in USD 1000	2020	2019
Bank deposits denominated in USD	3.690	4.273
Bank deposits denominated in NOK	786	945
Bank deposits denominated in COP	960	884
Bank deposits denominated in ARS	6	472
Cash and cash equivalents	**5.442**	**6.574**
Long term cahs restricted - Other non current asset	1.774	1.764
Total cash and cash equivalents	**3.668**	**4.810**
Bank deposits classified as restricted	3.064	3.043
Non restricted cash	**604**	**1.767**

Long term cash restricted of USD 1,8 million (2019: USD 1,7 million) mainly relates to cash collateral guarantees in Colombia and bank deposits as collateral for rent and withheld employee taxes in Oslo.
Restricted cash of USD 3,0 million (2019: USD 3,0 million) mainly relates to cash collateral for bank loans in Colombia.

26. PAID IN CAPITAL

Amounts in USD 1000	Number of Shares (1000)	Share capital	Share premium	Total
At 31 December 2018	**64.690**	**4.704**	**124.431**	**129.135**
Increase ARG Assets acquisition 12.06.19	22.222	9.100	-	9.100
Increase ARG Assets acquisition 19.07.19	7.354	2.851	-	2.851
Increase Fedmul debt conversion 28.10.19	2.608	1.009	-	1.009
Conversion of bonds to equity 16.01.2020	56.193	17.050	-	17.050
Increase ARG Assets acquisition 02.04.20	4.046	1.000	-	1.000
At 31 December 2020	**157.113**	**35.714**	**124.431**	**160.145**

All issued shares are paid in full. All shares give equal rights in the Company. Nominal value per share is NOK 0,50 (2019: NOK 0,50).

The total number of authorised shares as of 31 December 2020, consists of the 157 113 thousand issued shares listed in the table above.

At the annual general meeting held on 28 June 2018 it was resolved to authorize the Board of Directors to increase the share capital of the Company by up to a total of NOK 16,172,578, corresponding to up to a total of 32,345,156 new shares, without pre-emption.

On June 12th 2019, the share capital increase related to the issuance of a total of 22,221,851 consideration shares (the "Consideration Shares") to the sellers in the transaction has now been registered with the Norwegian

Register of Business Enterprises. The Company's new share capital is NOK 43,456,083, divided into 86,912,166 shares, each with a par value of NOK 0.50.
6,400,000 of the Consideration Shares will become listed and tradable immediately after delivery to the sellers, while 15,821,851 of the Consideration Shares will be placed on a separate ISIN pending approval and publication of a listing prospectus, estimated to take place in late June 2019.

On July 19th 2019, The share capital increase related to the issuance of a total of 7,354,554 shares in connection with conversion of debt to the sellers of the Argentinian assets, and as further compensation to the sellers of the Argentinian assets in accordance with the anti-dilution mechanism in the contract, has now been registered with the Norwegian Register of Business Enterprises. The Company's new share capital is NOK 47,133,360, divided into 94,266,720 shares, each with a par value of NOK 0.50.

On October 28th 2019, the share capital increase related to the issuance of 2,607,774 shares to Fedmul S.A., has now been registered with the Norwegian Register of Business Enterprises. The Company's new share capital is NOK 48,437,247, divided into 96,874,494 shares, each with a par value of NOK 0.50.

At the annual general meeting held on 27 June 2019 it was resolved to authorize the Board of Directors to increase the share capital of the Company by up to a total of NOK 21,728,041.50, corresponding to up to a total of 43.456.083 new shares, without pre-emption.

At the extraordinary general meeting held on 16 January 2020 it was resolved the partial conversion of bonds to equity, through the issuance of 56,193,478 shares. As a result, the share capital of the Company increase to a total of NOK 76,533,986, corresponding to a total of 153,067,972 shares, without pre-emption.

On the 2nd of April 2020, as a result of the acquisition in January of an 8.34 per cent participating interest in five mature producing exploitation concessions in Argentina, the company issued 4,045,539 consideration shares. The Company's new share capital is NOK 78,556,755.50, divided into 157,113,511 shares, each with a par value of NOK 0.50.

On the 26th March 2021 aimed at securing such funding for the farm-out agreement with SLS and Quantum Resources for the drilling of the remaining committed exploratory well (Mazorca) in the Altair block the company subscribed and issued in the Private Placement is 7,265,576 shares at a subscription price of NOK 1.33 per share, resulting in gross proceeds of approximately NOK 9.7 million. The Company's new share capital is NOK 82,189,543.50, divided into 164,379,087 shares, each with a par value of NOK 0.50.

On the 29th March 2021, Interoil announced a share issue aimed at securing funding for the investments in exploration activity in Colombia and in further development activity in Argentina.

On the 6th April 2021, The company published a national prospectus registered in Norway (the "Prospectus"). The Share Issue comprised the issue of up to 25,342,462 new shares at a subscription price of NOK 1.46 per share. The minimum subscription amount in the Share Issue was NOK 10,000. On the 12th April 2021, the Company announced the extension of the application period until 20 April 2021 at 16:30 (CEST).

On the 15th April 2021, The Company amend the terms of the Share, the subscription price was set to NOK 1.20 per share. The maximum number of shares remain at 25,342,462, so that the maximum gross proceeds from the Share was approximately NOK 30.4 million. The Company has also extended the application period until 23 April 2021 at 16:30 (CEST). On the 20th April 2021, A supplemental national prospectus setting out the new terms of the Share Issue (the "Supplemental Prospectus") was registered with the Norwegian Register of Business Enterprises

On the 27th April 2021, The Company's Board of Directors resolved to allocate and issue a total of 17,845,541 shares in the Share Issue at a subscription price of NOK 1.20 per share, resulting in total gross proceeds of NOK 21,414,000 to the Company. Once the shares allocated, issued and registered the Company will have a share capital of NOK 91,238,909.50 divided into 182,477,819 shares, each with a par value of NOK 0.50.

Top 20 shareholders & consolidated nominee accounts

As of 31 December 2020

Company	Shares held	% of total shares
Euroclear Bank S.A./N.V.	21.904.903	13,94%
GENIPABU INVESTMENTS LLC	19.654.960	12,51%
Integra Oil and Gas S.A	10.351.741	6,59%
SIX SIS AG	9.852.702	6,27%
International Capital Markets Grou	7.394.102	4,71%
Credit Suisse (Switzerland) Ltd.	6.263.909	3,99%
MEYERLØKKA AS	4.750.000	3,02%
Roch SA	3.413.696	2,17%
Brie International Development Cor	2.957.641	1,88%
MP PENSJON PK	2.819.064	1,79%
Nordnet Bank AB	2.818.545	1,79%
S FJORD INVEST AS	2.800.000	1,78%
The Bank of New York Mellon	2.610.105	1,66%
NORTH ENERGY ASA	1.869.339	1,19%
NORDNET LIVSFORSIKRING AS	1.378.049	0,88%
SELSBAK	1.142.565	0,73%
SVENDSEN	1.096.967	0,70%
CLEARSTREAM BANKING S.A.	952.185	0,61%
Danske Bank A/S	950.231	0,60%
OLSEN	860.000	0,55%
Total 20 largest shareholders	**105.840.704**	**67,37%**
Other	51.272.807	32,63%
Total	**157.113.511**	**100,00%**

27. EARNINGS PER SHARE

Basic

Basic earnings per share are calculated by dividing the profit for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period.

For the year ended 31 December

Amounts in USD 1000	2020	2019
(Loss)/profit attributable to owners of the Company	-13.794	-9.417
Weighted average ordinary shares in issue (thousands)	157.114	81.257
Basic earnings per share (USD per share) - total	**-0,09**	**-0,12**
(Loss)/profit attributable to owners of the Company	-13.794	-9.417
Weighted average ordinary shares in issue (thousands)	157.114	81.257
Basic earnings per share (USD per share) – continuing operations	**-0,09**	**-0,12**

Diluted

Diluted earnings per share are calculated by dividing the profit/(loss) for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares (conversion rights) into ordinary shares. When total comprehensive income is negative, the dilutive instruments described above will have an antidilutive effect when calculating dilutive earnings per share. This antidilutive effect will not be considered when presenting dilutive earnings per share.

For the year ended 31 December

Amounts in USD 1000	2020	2019
(Loss)/profit attributable to owners of the Company	-13.794	-9.417
(Loss)/profit used to determine diluted eps	-13.794	-9.417
Weighted average ordinary shares in issue (thousands)	157.114	81.257
Adjustment for subscription rights – share options	-	-
Weighted average ordinary shares for diluted eps (thousands)	157.114	81.257
Calculated diluted earnings per share (USD per share)		-
Presented diluted earnings per share (USD per share) – total	**-0,09**	**-0,12**

28. BORROWINGS

Period ended 31 December

Amounts in USD 1000	2020	2019
Total Bond loan	22.778	38.446
Total Bank loan	2.153	2.593
Total borrowings	**24.931**	**41.039**
Of which, current portion	**1.609**	**19.460**

The maturity of the Group’s borrowings is as follows:

Amounts in USD 1000	2020	2019
0-12months	1.609	19.460
Between 1and 2years	3.747	3.774
Between 2and 5years	19.575	4.125
Over 5years	-	13.680
Total borrowings	**24.931**	**41.039**

The terms and conditions of outstanding loans are summarised as follows:

Period ended 31 December

Amounts in USD 1000	Interest rate	Maturity	2020	2019
Non-current:				
Bond loan USD 24.3 million	7.5%	Janu 2026	21.351	-
Bond loan USD 32 million	6% -PIK: 8%	Jan 2020	-	20.983
Banco de occidente USD 1,529 million	IBR + 4,5%	Nov 2024	1.546	-
Banco de occidente lease-back USD 0.835 million	IBR + 5,5%	Apr 2024	425	596
Total non-current borrowings			**23.322**	**21.579**
Current:				
Bond loan USD 24.3 million	7.5%	Janu 2026	1.427	-
Bond loan USD 32million	6% -PIK: 8%	Jan 2020	-	17.463
Banco de occidente USD 1,373 million	IBR + 4,5%	Nov 2020	-	1.373
Banco de occidente USD 0,229 million	IBR + 4,2%	Jun 2020	-	229
Banco de occidente lease-back USD 0.835 million	IBR + 5,5%	Apr 2024	182	258
Bancolombia USD 0,137 million	IBR+ 3.6%	Jan 2020	-	137
Total current interest-bearing liabilities			**1.609**	**19.460**
Total borrowings			**24.931**	**41.039**

Bond loan USD 32 million / USD 24.3 million

The Group issued a 5 year Senior Secured bond loan with a total loan amount of USD 32 million on 22 January 2015. On December 30th 2019, the bondholder's approved the proposal for debt to equity conversion and maturity extension. As a result, and after the shareholders approved the terms on January 16th, maturity has been extended 6 years until January 2026 and 35% of the outstanding bonds were converted into equity. The bond loan shall be repaid at the final maturity date at 100 % of par value, plus accrued and unpaid interest. The issuer may redeem the bonds in whole or in part at 105 % of face value plus accrued unpaid interest on the redeemed amount. The bonds have a nominal value of USD 1, and carry a fixed rate interest of 7.50 % payable semi-annually in arrears.

The Bond loan recognised in the statement of financial position is calculated as follows:

Amounts in USD 1000	2020
Bond loan at issue after conversion, 17 January 2020	24.333
Inital adjustment to fair value	-3.993
PIK interest	1.099
Accrued interest	1.339
Balance at 31 December 2020	**22.778**

Bond renegotiation.

In December 2019, Interoil announced plans to strengthen its balance sheet through a debt-to-equity conversion. The plan was approved by bond holders on 30 December and by shareholders in an extraordinary general meeting on 16 January 2020. The approval rate was above 90% in both meetings.

As part of this plan, 35 per cent of the bond loan outstanding principal amount plus its respective accrued interest were converted to equity, the maturity date for the remaining bonds were extended by six years to 2026 and interest rate fixed at 7.5%.

On 17 January 2020, the conversion of the bonds was settled by issuing 56,193,478 new shares. These shares were distributed pro rata to the bond holders. On 20 January 2020, the share capital increase was registered with the Norwegian Register of Business Enterprises.

After conversion, Interoil's new share capital was NOK 76,533,986, divided into 153,067,972 shares, each with a par value of NOK 0.50.

Banco de Occidente USD 1,529 million

In November 2020, Interoil refinanced a total amount of USD 1.5 million with Banco Occidente. The new terms include a rate of IBR + 4.5% four-year repayment in six-months instalments after a one-year of grace period.

Banco de Occidente lease-back USD 0.835 million

Office lease back of USD835 made in June 2018 at the rate of IBR + 5.5% with maturity date in April 2024.

The table below sums up the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

Year ended 31 December 2020

	Less than 1year	Between 1and 2years	Between 2and 5years	Over 5years	Total
Borrowings including interest	1.230	2.774	7.277	23.569	34.850
Trade and other payables	5.492	-	-	-	5.492

Year ended 31 December 2019

	Less than 1year	Between 1and 2years	Between 2and 5years	Over 5years	Total
Borrowings including interest	20.893	4.041	14.148	9.617	48.699
Trade and other payables	5.684	-	-	-	5.684

As the amounts included in the above table are the contractual undiscounted cash flows, these amounts will not reconcile to the amounts disclosed on the statement of financial position for borrowings which is recorded at amortised cost. The specific time buckets presented are not mandated by the standard but are based on choice by management.

The table below reconcile debt movements with cash flow statement

	Bond	Financial institutions	Total
Balance at 31 December 2019	**38.446**	**2.593**	**41.039**
Interest accrued	2.128	108	2.236
Exchange effect	-	-108	-108
Interest paid	-701	-108	-809
Bond conversion	-13.102	-	-13.102
Fair value adjustment	-3.993	-	-3.993
New loans	-	-	0
Repayment	-	-332	-332
Balance at 31 December 2020	**22.778**	**2.153**	**24.931**

29. PROVISIONS FOR OTHER LIABILITIES AND CHARGES

Period ended 31 December

Amounts in USD 1000	2020	2019
Asset retirement obligations	4.999	2.290
Other obligations	1.460	1.227
Total provisions for other liabilities and charges	**6.459**	**3.517**
Of which, current portion:	**845**	**763**

The table below show movements of provisions

	Assets retirement Obligation	Other Obligations
As at January 1 2020	**2.290**	**1.227**
Additions	1.786	139
Utilizations	-	21
Actualization	923	73
As at December 31 2020	**4.999**	**1.460**

Asset retirement obligation is a liability for plugging, abandonment and decommissioning costs that are recognised since the Group has an obligation to dismantle and remove facilities and restore the site on which it is located. The amount recognised is the present value of the estimated future expenditure determined in accordance with local conditions and requirements. The discount rate used for 2020 was 4,87% (2019: 5,75%). No values expected to be executed during the next 12 months. USD 1,7 million of the total provision is expected to be executed within the next five years (2019: 0,5 million).

Other long-term obligations are mostly related to the net present value of voluntary agreements regarding contributions to education for local communities. Other provisions and charges are related to the accounting of the association contract as outlined in note 2.15.

30. TRADE AND OTHER PAYABLES

For the year ended 31 December

Amounts in USD 1000	2020	2019
Trade creditors	3.412	3.730
Public duties payable	84	89
Debt to employees and shareholders	65	145
Other accrued expenses	1.931	1.720
Total trade and other payables	**5.492**	**5.684**

Deferred interest in relation to the bond loan is included in the bond liability, see note 28.

31. OTHER LONG-TERM PAYABLES

For the year ended 31 December

Amounts in USD 1000	2020	2019
Legal claims (Tax administrative proceeding)	3.461	-
Total other long term payables	**3.461**	-

Other long-term payables correspond to the tax administrative proceedings qualified as a probable, the liability is classified long term because at the date of this report Interoil legal area an advisors consider that a final sentence during the remaining year 2021 is not expected see note 16.

32. COMMITMENTS AND CONTINGENCIES

The Group is involved in various claims and litigation arising in the normal course of business. Since the outcomes of these matters are uncertain, there can be no assurance that such matters will be resolved in the Company's favour . No provisions have been made for the legal disputes discussed in this note. For legal disputes, in which the Group assesses to be probable (more likely than not) that an economic outflow will be required to settle the obligations, provisions have been made based on management's best estimate.
The outcome of adverse decisions in any pending or threatened proceedings related to these and other matters could have a material impact on the Company's financial position, results of operations or cash flows.

Labor proceedings

There are currently 6 labor processes ongoing and the amount requested by plaintiffs is estimated to USD 810.000 in total (including Carlos Guerrero lawsuit). Interoil makes a close supervision to these processes attending their legal development. In some of the processes Interoil has obtained favorable decisions in the first and second stage.

Class Action Suit

The Environmental and Agricultural Judicial Attorney for Tolima incriminate ICEP, among others, for a crude oil spill from a Mana line, caused by a third party as sabotage. The judicial attorney is seeking for an environmental fine imposition against all the defendants. On March 17, 2021, the compliance continued, the Magistrate decree that there was no compliance agreement between parties, declaring as closed, that stage of the process. The next step will be the evidence hearing, there is no date confirm yet.

The Colombian branch has the following contract obligations:
Interoil has combined phases 1 and 2 of the exploratory program under the Altair license agreement, and is obligated to drill one exploratory well in the Altair license by April 27 2021. The assigned value is set at USD 3 million.
LLA-47 is located in the prolific Llanos basin and covers an area of 447 km². Interoil has completed its obligation to acquire 350 km² of 3D seismic and to drill one exploration well. Interoil has combined phases 1 and 2 in the license agreement and is obligated to drill nine exploration wells before February 07, 2022. The assigned value of the commitment is USD 27 million.

33. SUBSEQUENT EVENTS

On 4 March, Interoil announced that it has entered into a farm-out agreement with SLS and Quantum Resources for the drilling an exploratory well (Mazorca) in the Altair block, subject to the obtainment of the required funding. The Company also launched a small private placement of up to the NOK equivalent of EUR 999,999 as an action aimed at securing such funding. Interoil also announced the agreement with Velitec S.A. for the reopening of 15 well in the Mata Magallanes Oeste oil field.

On 9 March, Interoil announced that the private placement launched the date before resulted in a successful oversubscription at the full of the offer on the first day of the application period (8 March). After approval of the private placement on 11 March, Interoil announced on 26 March the completion of the private placement whereby the Company issued at total of 7,265,576 shares with a subscription price of 1.33 NOK per share resulting in gross proceeds of approximately NOK 9.7 million.

On 29 March 2021 Interoil signed a participation agreement in Colombia with SLS and Quantum Resources for the drilling of up to two exploration wells in LLA-47, namely Jaca.x-1 and Malevo.x-1. This agreement is subject to Interoil's obtainment of the funding required to meet its obligations under the agreement.
In Argentina, Interoil announced the re-opening of the remaining 19 wells in the Mata Magallanes Oeste ("MMO") oil field for this purpose The Company signed an agreement with Argentine drilling services company Velitec SA.

On 06 April 2021, The Company published a national prospectus for a contemplated share issue with gross proceeds of up to NOK 37,000,000 towards Norwegian investors and international institutional investors. The Share Issue comprises the issue of up to 25,342,462 new shares in the Company at a subscription price of NOK 1.46 per share. On 15 April 2021 the Company resolved to amend the terms of the Share Issue so that the subscription price is set to NOK 1.20 per share, maximum gross proceeds for approximately NOK 30.4 million and the application period will be open until 23 April 2021.

On 27 April 2021, The Company's Board of Directors resolved to allocate and issue a total of 17,845,541 shares in the Share Issue at a subscription price of NOK 1.20 per share, resulting in total gross proceeds of NOK 21,414,000 to the Company. the final number of shares which was subscribed and issued in the Share Issue is 17,783,042 shares at a subscription price of NOK 1.20 per share, resulting in gross proceeds of approximately NOK 21.3 million.

Based on the current situation with our current exploration program, Interoil Colombia is having ongoing conversations with the ANH aiming at agreeing a way forward for the exploration drilling campaign in Altair and Lla47.

Due to late approval of annual accounts, Interoil is in breach of information covenants. Interoil is in process of getting approval of this breach and have so far collected waiver from bondholders representing approximately 75% of the nominal bond. The breach of information covenant is an event after the period end, and as such long-term debt has not been reclassified.

34. COUNTRY-BY-COUNTRY REPORTING

In line with regulatory developments in the European Union, the Norwegian government has introduced country-by-country reporting requirements for multinational companies operating in extractive industries. Activities in each country of operations are to be reported. The information includes investments, sales revenue, production volumes, purchase of goods and services and number of employees. In addition, all payments to governmental authorities.

Amounts in USD 1 000	2020 Colombia	2020 Argentina	2019 Colombia	2019 Argentina
Revenues	8.610	794	16.810	262
Investments	69	1.000	1.022	12.000
Purchase of goods and services	2.851	988	1.963	720
Income taxes paid	-	-	585	-
Indirect taxes paid	26	-	202	-
Royalties	734	61	526	39
Contractual social contribution	-	-	8	-
Voluntary social contribution	20	-	0	-
Salaries and social benefit	650	-	1.201	-
Number of employees	45	-	45	-

35. OIL AND GAS RESERVES (UNAUDITED)

The reserves have been estimated and classified according to the “Petroleum Resources Management System”, developed and approved in March 2007 jointly by the Society of Petroleum Engineers, World Petroleum Council, American Society of Petroleum Geologists and Society of Petroleum Evaluations Engineers, hereafter referred to as the “2007 PRMS“ and have been audited by the independent petroleum engineering firm of Gaffney, Cline & Associates Inc.

Reserves

As of 31 December 2020

Colombia	Oil (mmbbl)	Gas (BCF)	Total (mmboe)	Equity (mmboe)
1P		*Gross*		*Net*
1P Developed Producing reserves - DP	1,08	2,65	1,55	1,10
1P Developed Non-Producing reserves - DNP	0,17	1,03	0,35	0,25
1P Non-Developed reserves - ND	0,00	0,00	0,00	0,00
Total 1P reserves	1,25	3,68	1,91	1,35
2P		*Gross*		*Net*
Total 2P reserves	2,18	5,94	3,24	2,28

Argentina	Oil (mmbbl)	Gas (BCF)	Total (mmboe)	Equity (mmboe)
1P		*Gross*		*Net*
1P Developed Producing reserves - DP	0,87	8,60	2,40	0,41
1P Developed Non-Producing reserves - DNP	0,37	0,00	0,37	0,29
1P Non-Developed reserves - ND	0,00	0,00	0,00	0,00
Total 1P reserves	1,24	8,60	2,77	0,70
2P		*Gross*		*Net*
Total 2P reserves	1,30	8,75	2,86	0,76

As of 31 December 2019

Colombia	Oil (mmbbl)	Gas (BCF)	Total (mmboe)	Equity (mmboe)
1P		**Gross**		**Net**
1P Developed Producing reserves - DP	0,85	2,95	1,38	0,90
1P Developed Non-Producing reserves - DNP	0,04	0,00	0,04	0,00
1P Non-Developed reserves - ND	0,16	0,91	0,32	0,22
Total 1P reserves	1,05	3,86	1,74	1,13
2P		**Gross**		**Net**
Total 2P reserves	1,65	8,75	3,31	2,10

Argentina	Oil (mmbbl)	Gas (BCF)	Total (mmboe)	Equity (mmboe)
1P		**Gross**		**Net**
1P Developed Producing reserves - DP	0,50	0,00	0,50	0,30
1P Developed Non-Producing reserves - DNP	0,04	0,00	0,04	0,00
1P Non-Developed reserves - ND	0,40	0,00	0,40	0,31
Total 1P reserves	0,94	0,00	0,94	0,61
2P		**Gross**		**Net**
Total 2P reserves	0,90	0,00	0,90	0,62

For a full description of the “2007 PRMS”, please refer to the Society of Petroleum Engineers website: www.spe.org

Aggregated equity oil and gas Reserves, Production, Developments and Adjustments

As of 31 December 2020 (mmboe)	1P DP (mmboe)	1P DNP (mmboe)	1P ND (mmboe)	Total 1P	2P DP (mmboe)	2P DNP (mmboe)	2P ND (mmboe)	Total 2P
Reserves at 31.12.19	**1,20**	**0,00**	**0,51**	**1,71**	**1,20**	**0,00**	**1,52**	**2,72**
Production	-0,30	-	-	-0,30	-0,30	-	-	-0,30
Acquisition	0,02	-	-	0,02	0,02	0,02	-	0,04
Revisions	0,60	0,54	-0,51	0,63	0,60	0,52	-0,53	0,59
Total changes	**0,31**	**0,54**	**-0,51**	**0,34**	**0,31**	**0,54**	**-0,53**	**0,32**
Reserves at 31.12.20	**1,51**	**0,54**	**0,00**	**2,05**	**1,51**	**0,54**	**0,99**	**3,04**

Notes

Mmboe = million stock tank barrels of oil equivalent
Gross Reserves are Operated Reserves
Equity reserves: Colombia - Net after Royalty
Working Interest varies per concession; reported percentages are averages
Gas converted to oil equivalent based on 5610 scf equals 1 boe
Numbers may not add up due to rounding

Production and sales for the period

Production and sales in barrels

	2020	2019
Production		
Working interest, barrels	167.873	211.124
Working interest, gas (boe)	135.844	140.266
Royalty	(19.270)	(22.403)
Total Working Interest production in barrels	**284.447**	**328.987**
Sale of oil in barrels		
Sale of oil, barrels WI	161.294	165.641
Oil royalties sold	1.045	35.723
Total oil sold barrels	**162.339**	**201.364**
Sale of gas (boe)		
Sale ofgas, (boe) WI	121.699	122.312
Gas royalties sold	7.072	8.977
Total gas sold barrels (boe)	**128.771**	**131.289**
Total Working Interest Barrels sold	**291.110**	**332.653**

INTEROIL EXPLORATION AND PRODUCTION ASA
FINANCIAL STATEMENTS

31 DECEMBER 2020

STATEMENT OF COMPREHENSIVE INCOME

Amounts in USD 1 000 unless otherwise stated

For the year ended 31 December	Notes	2020	2019
Sales	4	309	612
Gross profit		**309**	**612**
Administrative expense	5	-533	-570
Impairment	9	-34.768	-
Result from operating activities		**-34.992**	**42**
Finance income	6	2.300	1.358
Finance costs	6	-3.530	-3.418
Net finance (cost) / income		**-1.230**	**-2.060**
(Loss)/profit before income tax		**-36.222**	**-2.018**
Income tax expense		-	-
(Loss)/ profit from continuing operations		**-36.222**	**-2.018**
Other comprehensive income		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year, net of tax		**-36.222**	**-2.018**
Attributable to:			
Retained earnings		-36.222	-2.018

STATEMENT OF FINANCIAL POSITION

Amounts in USD 1 000

as of 31 December	Notes	2020	2019
ASSETS			
Non-current assets			
Investments in subsidiaries	7	25.285	25.285
Intercompany receivables	9	-	33.625
Other Non current Assets		742	904
Total non-current assets		**26.027**	**59.814**
Current assets			
Trade and other receivables	8	9	13
Cash and cash equivalents, restricted	11	1	2
Cash and cash equivalents, non-restricted	11	38	31
Total current assets		**48**	**46**
TOTAL ASSETS		**26.075**	**59.860**
EQUITY			
Share capital and share premium	12	160.145	142.095
Other paid-in equity		5.882	5.882
Retained earnings		-164.694	-128.472
Total equity		**1.333**	**19.505**
LIABILITIES			
Non-current liabilities			
Borrowings	13	21.351	20.983
Total non-current liabilities		**21.351**	**20.983**
Current liabilities			
Borrowings	13	1.427	17.463
Trade and other payables	14	1.564	1.509
Provisions		400	400
Total current liabilities		**3.391**	**19.372**
TOTAL LIABILITIES		**24.742**	**40.355**
TOTAL EQUITY AND LIABILITIES		**26.075**	**59.860**

Oslo, 24th June, 2021
The Board of Interoil Exploration and Production ASA.

Hugo Quevedo	Nicolas Acuña	Francisco Vozza
Chairman	*Board Member*	*General manager*

Mimi Berdal	Carmela Saccomanno	German Ranftl	Laura Marmol
Board Member	*Board Member*	*Board Member*	*Board Member*

STATEMENT OF CHANGES IN EQUITY

Amounts in USD 1 000	Notes	Sharecapital andshare premium	Other paid-in equity	Retained earnings	Total equity
Balance at 31 December 2018		**129.135**	**5.882**	**-126.454**	**8.563**
Capital increase	12	12.960	-	-	12.960
Loss of the year		-	-	-2.018	-2.018
Balance at 31 December 2019		**142.095**	**5.882**	**-128.472**	**19.505**
Capital increase	12	18.050			18.050
Loss of the year				-36.222	-36.222
Balance at 31 December 2020		**160.145**	**5.882**	**-164.694**	**1.333**

Other paid-in equity – consist of subscription rights in addition to the difference between the fair value and the book value of the converted shares in the bond conversion.

CASH FLOW STATEMENT

Amounts in USD 1 000

For the year ended 31 December	Notes	2020	2019
Cash generated from operations			
Total comprehensive income for the year		-36.222	-2.018
Interest income	6	-1.353	-1.358
Other finance cost/(income)	6	-5	573
Interest expense and amortization	6	2.588	2.844
Impairment	9	34.768	-
Changes in net working capital			
Intercompany accounts		1.143	233
Trade and other receivables		4	7
Trade and other payables		-55	3.127
Net cash used in operating activities		**868**	**3.408**
Cash flows from investing activities			
Investment in subsidiaries		-	-7
Net cash generated from activities		**-**	**-7**
Cash flows from financing activities			
Interest paid		-701	-3.281
Other finance			0
Net movement in restricted cash and other non-current a		-162	-116
Net cash generated from financing activities		**-863**	**-3.397**
Net decrease in cash and cash equivalents		5	4
Non restricted cash and cash equivalents at the beginning of the year		33	27
Non restricted cash and cash equivalents at the end of the year		**38**	**31**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements for Interoil Exploration and Production ASA (the "Company") are prepared in accordance with simplified IFRS according to the Norwegian Act relating to Annual Accounts § 3-9. This mainly implies that recognition and measurements in the financial statements are in accordance with IFRS, while the notes disclosures are presented in accordance with the Norwegian Accounting Act. The Company's accounting policies are specified in Group note 2 (consolidated financial statements).

These financial statements are presented in USD, which is the Company's functional currency, and rounded up to thousands (1 000).

Shares in subsidiaries are recorded in accordance with the cost method in the parent company accounts. The investments are reviewed for impairment annually or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

2. GOING CONCERN

The financial statements in the 2020 Annual Report have been prepared under the going concern assumption in accordance with the Norwegian Accounting Act § 3-3 and the Board of Directors hereby confirms that this assumption is valid.

The income for 2021 is dependent on two factors: current flowing production and the future production of the drilling of three new exploratory wells. Significant uncertainty is present on the outcome of these explorations and therefore, on future income coming from that source.
At this stage the Board are confident that the ongoing operations will have a positive outcome. However, if some of the ongoing initiatives come out with a negative result, there is uncertainty on available cash that may cast significant doubt on the company's ability to continue as a going concern.
If the Group cannot be treated as going concern the valuation of the Group's assets will need to be further revised. Valuation of assets without the going concern assumption could result in further impairment.

3. FINANCIAL RISK MANAGEMENT

The Company's activities are exposed to a variety of financial risks: market risk (including currency risk, price risk and interest rate risk), credit risk and liquidity risk. See Group note 3 for more information regarding Financial Risk Management.

The table below sum up the maturity profile of the Company's financial liabilities at 31 December 2020 based on contractual undiscounted payments.

For the year ended 31 December 2020	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Total
Borrowings including interest	1.019	1.951	24.001	26.703
Trade and other payables	1.564	-	-	1.564
For the year ended 31 December 2019				
Borrowings including interest	38.446	-	-	38.446
Trade and other payables	1.509	-	-	1.509

As the amounts included in the above table are the contractual undiscounted cash flows, these amounts will not reconcile to the amounts disclosed on the statement of financial position for borrowings which is recorded at a mortised cost. The specific time buckets presented are not mandated by the standard but are based on choice by management.

4. SALES

For the year ended 31 December

Amounts in USD 1 000	2020	2019
Management fee (note 10)	309	612
Total sales	**309**	**612**

5. ADMINISTRATIVE EXPENSES

For the year ended 31 December

Amounts in USD 1 000	2020	2019
Employee benefit expenses *)	32	7
Professional fees	414	469
General administration expenses	87	94
Total administrative expenses	**533**	**570**

External audit remuneration to PwC Norway

Amounts in USD 1000	Audit fee	Other non-assurance services	Total
Year 2020	66	60	**126**
Year 2019	98	38	**136**

6. FINANCE INCOME AND COST

For the year ended 31 December

Amounts in USD 1 000	2020	2019
Interest income, intercompany loan	1.353	1.356
Exchange rate gain, unrealized items	52	2
Other financial income	895	
Total financial income	**2.300**	**1.358**
Interest expenses	3.386	2.384
Exchange rate loss, unrealized items	59	9
Other financial expenses	85	1.025
Total financial expenses	**3.530**	**3.418**
Net finance (expense)/ income	**-1.230**	**-2.060**

7. SUBSIDIARIES

Period ended 31 December 2020

Amounts in USD 1 000	Registered business address	Interest andvoting rightsheld	Company's share capital in1000	Company's equity inUSD 1.000	Company's profit/ (loss)in USD1000	Book value 2.020	Book value 2.019
Interoil Peru Holding AS	Norway	1	NOK 100	5	-2	21	21
Up Colombia Holding AS	Norway	1	NOK 900	23.147	-574	25.257	25.257
Interoil Argentia AS	Norway	1	NOK 30	1	(1)	3	3
Interoil Drilling Services AS	Norway	1	NOK 30	1	-2	4	4
Total book value				**23.154**	**-579**	**25.285**	**25.285**

Shares invested in UP Colombia Holding AS with a total book value of USD 25,2 million (2019: 25,2 million) have been pledged as security for the interest-bearing borrowings, see note 12 and Group note 23, no impairment charges were recognised.

8. TRADE AND OTHER RECEIVABLES

Period ended 31 December

Amounts in USD 1 000	2020	2019
Current:		
Vat receivables	9	13
Total trade and other receivables	**9**	**13**

9. INTERCOMPANY RECEIVABLES

Non-current intercompany receivables

Period ended 31 December

Amounts in USD 1 000	2020	2019
Interoil Colombia Exploration and Production Inc.	1.883	2.249
Up Colombia Holding AS	18.883	18.380
Interoil Peru Holding AS	-3	-4
Inteoril Drilling Services AS	2	-
Interoil Argentina AS	14.002	13.000
Non-current intercompany receivables	**34.767**	**33.625**
Impairment	**-34.767**	-
Total non-current intercompany receivables	-	**33.625**

Intercompany interest and management fee

Period ended 31 December

Amounts in USD 1 000	Notes	2020	2019
Interoil UP Colombia Holding AS	6	1.352	777
Interoil Colombia Exploration and Produc	4	309	612
Total net management fee and interest		**1.661**	**1.389**

As of 31 December 2020, intercompany receivables were tested for impairment. The Group considers the relationship between its recoverable amount and its book value, among other factors, when reviewing for indicators of impairment. An impairment charges were recognised at year end 2020.

As described in the BoD report there have been several circumstances like, lower oil prices, the shut-of all the Colombian fields, the black oil fields in Argentina and the COVID-19 pandemic among other, that have affected the production, the ABITDAx and in general the financial health of the group operational branches. Therefore, the valuation of assets in Colombia and Argentina have decreased generating impairment charges. Additionally, considering that the group consolidated equity is negative compared to a high positive equity in the stand-alone financial statements, the company decided to review for impairment the intercompany account receivables at the reporting date to reflect a consequential equity in the parent company.

Intercompany loans with a total book value of USD 20,9 million (2019: USD 20,9 million) have been pledged as security for the interest-bearing borrowings, see note 14 and Group note 25.
Also, see Group note 11 for more information regarding transactions with related parties.

10. FINANCIAL INSTRUMENTS

Period ended 31 Dec 2020 Amounts in USD 1000	Notes	assets and liabilities at amortized cost	Total carrying amount	Fair value
Non-current:				
Intercompany receivables	9	34.767	34.767	34.767
Trade and other payables		742	742	742
Current:				
Trade and other receivables	8	9	9	9
Cash and cash equivalents	12	38	38	38
Total financial assets		**35.556**	**35.556**	**35.556**
Non-current:				
Bond loan	14	21.351	25.432	22.706
Current:				
Bond loan		1.427	1.427	1.427
Trade and other payables	15	1.564	1.564	1.564
Provisions		400	400	400
Total financial liabilities		**24.742**	**28.823**	**26.097**

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly
Level 3: Techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.
The bond loan is included in level 2, the rest of assets and liabilities are included in level 3.

During the reporting period ending 31 December 2020, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers in and out of Level 3 fair value measurements.

The carrying amount of intercompany receivables, trade and other receivables approximate their fair value.
The carrying amount of trade and other payable is considered to approximate their fair value.
The carrying amount of the current interest bearing liabilities approximates the fair value.
The fair value of the other non-current interest bearing liabilities equals their carrying amount.
The fair value of the bond loan has been calculated using the discounted cash flow method. The cost of capital is set to the interest rate for a similar bond with similar security in the market, 12%.

The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of financial assets mentioned above and the carrying amount of investments in subsidiaries, see note 9 The

Company does not hold any collateral as security.

11. CASH AND CASH EQUIVALENTS

Period ended 31 December

Amounts in USD 1 000	2020	2019
Bank deposits denominated in USD	1	1
Bank deposits denominated in NOK	38	32
Total cash and cash equivalents	**39**	**33**
Bank deposits classified as restricted	1	2
Non restricted cash	38	31

The restricted bank deposits are mostly placed as collateral for deposit for rent and withheld employee taxes.

12. PAID IN CAPITAL

Amounts in USD 1 000	Number of Shares (1 000)	Share capital	Share premium	Total
At 31 December 2018	**64.690**	**4.704**	**124.431**	**129.135**
Increase ARG Assets acquisition 12.06.19	22.222	9.100	-	9.100
Increase ARG Assets acquisition 19.07.19	7.354	2.851	-	2.851
Increase Fedmul debt conversion 28.10.19	2.608	1.009	-	1.009
Conversion of bonds to equity 16.01.2020	56.193	17.050	-	17.050
Increase ARG Assets acquisition 02.04.20	4.046	1.000	-	1.000
At 31 December 2020	**157.113**	**35.714**	**124.431**	**160.145**

Total number of issued and authorised shares as of 31 December 2020 amounts to 157 113 thousand shares. For specifications of capital movements and of top 20 shareholders, see Group note 26

13. BORROWINGS

Period ended 31 December

Amounts in USD 1 000	2020	2019
Bond loan denominated USD	22.778	20.983
Total borrowings	**22.778**	**20.983**
Of which, current portion	**1.427**	**17.463**

The maturity of the Company's borrowings is as follows:

Period ended 31 December

Amounts in USD 1 000	2020	2019
0-12 months	1.427	17.463
Between 1 and 2 years	3.056	3.497
Between 2 and 5 years	18.295	10.492
Over 5 years	-	6.994
Total borrowings	**22.778**	**38.446**

Bond loan USD 32 million / USD 24.3 million

The Group issued a 5 year Senior Secured bond loan with a total loan amount of USD 32 million on 22 January 2015. On December 30th 2019, the bondholder's approved the proposal for debt to equity conversion and maturity extension. As a result, and after the shareholders approved the terms on January 16th, maturity has been extended 6 years until January 2026 and 35% of the outstanding bonds were converted into equity. The bond loan shall be repaid at the final maturity date at 100 % of par value, plus accrued and unpaid interest. The issuer may redeem the bonds in whole or in part at 105 % of face value plus accrued unpaid interest on the redeemed amount. The bonds have a nominal value of USD 1, and carry a fixed rate interest of 7.50 % payable semi-annually in arrears.

The Bond loan recognised in the statement of financial position is calculated as follows:

Amounts in USD 1000	2020
Bond loan at issue after conversion, 17 January 2020	24.333
Inital adjustment to fair value	-3.993
PIK interest	1.099
Accrued interest	1.339
Balance at 31 December 2020	**22.778**

Bond renegotiation.

In December 2019, Interoil announced plans to strengthen its balance sheet through a debt-to-equity conversion. The plan was approved by bond holders on 30 December and by shareholders in an extraordinary general meeting on 16 January 2020. The approval rate was above 90% in both meetings.

As part of this plan, 35 per cent of the bond loan outstanding principal amount plus its respective accrued interest were converted to equity, the maturity date for the remaining bonds were extended by six years to 2026 and interest rate fixed at 7.5%.

On 17 January 2020, the conversion of the bonds was settled by issuing 56,193,478 new shares. These shares were distributed pro rata to the bond holders. On 20 January 2020, the share capital increase was registered with the Norwegian Register of Business Enterprises.

After conversion, Interoil's new share capital was NOK 76,533,986, divided into 153,067,972 shares, each with a par value of NOK 0.50.

For more details, see Group note 27.

14. TRADE AND OTHER PAYABLES

For the year ended 31 December

Amountsin USD 1000	2020	2019
Trade creditors	1.320	1.509
Public duties payable	8	-
Other accrued expenses	236	-
Total trade and other payables	**1.564**	**1.509**

15. SUBSEQUENT EVENTS

On 4 March, Interoil announced that it has entered into a farm-out agreement with SLS and Quantum Resources for the drilling an exploratory well (Mazorca) in the Altair block, subject to the obtainment of the required funding. The Company also launched a small private placement of up to the NOK equivalent of EUR 999,999 as an action aimed at securing such funding. Interoil also announced the agreement with Velitec S.A. for the reopening of 15 well in the Mata Magallanes Oeste oil field.

On 9 March, Interoil announced that the private placement launched the date before resulted in a successful oversubscription at the full of the offer on the first day of the application period (8 March). After approval of the private placement on 11 March, Interoil announced on 26 March the completion of the private placement whereby the Company issued at total of 7,265,576 shares with a subscription price of 1.33 NOK per share resulting in gross proceeds of approximately NOK 9.7 million.

On 29 March 2021 Interoil signed a participation agreement in Colombia with SLS and Quantum Resources for the drilling of up to two exploration wells in LLA-47, namely Jaca.x-1 and Malevo.x-1. This agreement is subject to Interoil's obtainment of the funding required to meet its obligations under the agreement.
In Argentina, Interoil announced the re-opening of the remaining 19 wells in the Mata Magallanes Oeste ("MMO") oil field for this purpose The Company signed an agreement with Argentine drilling services company Velitec SA.

On 06 April 2021, The Company published a national prospectus for a contemplated share issue with gross proceeds of up to NOK 37,000,000 towards Norwegian investors and international institutional investors. The Share Issue comprises the issue of up to 25,342,462 new shares in the Company at a subscription price of NOK 1.46 per share. On 15 April 2021 the Company resolved to amend the terms of the Share Issue so that the subscription price is set to NOK 1.20 per share, maximum gross proceeds for approximately NOK 30.4 million and the application period will be open until 23 April 2021.

On 27 April 2021, The Company's Board of Directors resolved to allocate and issue a total of 17,845,541 shares in the Share Issue at a subscription price of NOK 1.20 per share, resulting in total gross proceeds of NOK 21,414,000 to the Company. the final number of shares which was subscribed and issued in the Share Issue is 17,783,042 shares at a subscription price of NOK 1.20 per share, resulting in gross proceeds of approximately NOK 21.3 million.

Based on the current situation with our current exploration program, Interoil Colombia is having ongoing conversations with the ANH aiming at agreeing a way forward for the exploration drilling campaign in Altair and Lla47.

Due to late approval of annual accounts, Interoil is in breach of information covenants. Interoil is in process of getting approval of this breach and have so far collected waiver from bondholders representing approximately

75% of the nominal bond. The breach of information covenant is an event after the period end, and as such long-term debt has not been reclassified.

INDEPENDENTS AUDITOR REPORT

To the General Meeting of Interoil Exploration and Production ASA

Independent Auditor's Report

Report on the Audit of the Financial Statements

Qualified opinion

We have audited the financial statements of Interoil Exploration and Production ASA, which comprise:

- The financial statements of the parent company Interoil Exploration and Production ASA (the Company), which comprise the statement of financial position as at 31 December 2020, the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and

- The consolidated financial statements of Interoil Exploration and Production ASA and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2020, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion:

- The financial statements are prepared in accordance with laws and regulations, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report.

- The accompanying financial statements, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, give a true and fair view of the financial position of the Company as at 31 December 2020, and its financial performance and its cash flows for the year then ended in accordance with simplified application of international accounting standards according to section 3-9 of the Norwegian Accounting Act.

- The accompanying consolidated financial statements, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, give a true and fair view of the financial position of the Group as at 31 December 2020, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

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State authorised public accountants, members of The Norwegian Institute of Public Accountants, and authorised accounting firm

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Basis for Qualified Opinion

Due to pandemic restrictions in Argentina, the audit team have not been able to obtain sufficient audit evidence for the operations in Argentina, except for the line item property, plant and equipment and impairment charge of property, plant and equipment. The extent of the operations in Argentina is specified in note 6 Segment information. Consequently, we have not been able to establish whether these amounts would require adjustments.

Further, also due to pandemic restrictions, the Company have not been able to perform physical stock count of the inventory. As a result, we have not been able to observe the physical counting. We were unable to satisfy ourselves by alternative means concerning inventory quantities held at December 31, 2020. Consequently, we have not been able to establish whether adjustments might have been necessary to inventories in Columbia and cost of goods sold.

We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group as required by laws and regulations, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Material Uncertainty Related to Going Concern

We draw attention to note 4 and the Board of Directors' report in the financial statements, which indicates that the Company are dependent on a positive outcome of drilling campaigns to maintain sufficient cash flows to continue as a going concern. These events or conditions, along with other matters as set forth in Note 4 and the Board of Directors' report, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Matters

The company's financial statements have been submitted after the expiry of the statutory time limit for preparation of financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Basis for Qualified Opinion* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

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Key Audit Matter	How our audit addressed the Key Audit Matter
Valuation of Oil & Gas properties	
The value of the group's Oil & Gas properties is material to the financial statements and constitute the major part of the carrying values of property plant and equipment of $ 22 774 thousand as at 31 December 2020. Due to the general downturn in the industry, management has assessed the carrying values for impairment. Managements assessed and compared the sum of the discounted cash flows that each license area is expected to generate. Where the discounted cash flows for a field was less than its carrying value, management adjusted the carrying value, by recording an impairment, to its estimated recoverable value. An impairment of $1 470 thousand has been recorded in 2020 to reduce the carrying value of certain fields to their estimated recoverable values. For the remaining fields, management concluded that the recoverable amount was higher than the carrying value. We focused on this area due to the significant carrying value of the Oil & Gas properties and the judgement inherent in the impairment review. Management explain their impairment process and assumptions in note 17 to the financial statements.	We evaluated and challenged management's assessment of indicators of impairment and the process by which this was performed. Our procedures included the following: • We assessed management's accounting policy against IFRS and obtained explanations from management as to how the specific requirements of the standards, in particular ISA 36, were met. We also assessed the consistency year on year, of the application of the accounting policy. • Management considers each license area to be cash generating unit («CGU) or («field») in their assessment of impairment indicators, consequently we assessed for impairment indicators on the same basis. • We assessed the significant assumptions management used in their forecast. This included tracing input data to external reports and considering whether key assumptions, such as future oil price and reserves, were consistent with historical performance, expected market prices and our knowledge of the industry. We also performed a sensitivity analysis on the assumptions made by management, using various scenarios. • The valuation of Oil & Gas properties are inherently uncertain due to the judgmental nature of the underlying estimates. This risk has increased due to the current market conditions. From the evidence obtained we found the assumptions and methodology used to be appropriate. We read note 17 (Property, plant and Equipment) and assessed this to be in line with the requirements. No matters of consequence arose from the procedures above.

Other Information

Management is responsible for the other information. The other information comprises information in the annual report, except the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director (Management) are responsible for the preparation in accordance with law and regulations, including a true and fair view of the financial statements of the Company in accordance with simplified application of international accounting standards according to the Norwegian Accounting Act section 3-9, and for the preparation and true and fair view of the consolidated financial statements of the Group in accordance with International Financial Reporting Standards as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's or the Group's internal control.

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.

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

- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Opinion on the Board of Directors' report

Based on our audit of the financial statements as described above, it is our opinion that the information presented in the Board of Directors' report and in the statements on Corporate Governance and Corporate Social Responsibility concerning the financial statements and the going concern assumption is consistent with the financial statements and complies with the law and regulations.

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Opinion on Registration and Documentation

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements *(ISAE) 3000, Assurance Engagements Other than Audits or Reviews of Historical Financial Information*, it is our opinion that management has fulfilled its duty to produce a proper and clearly set out registration and documentation of the Company's accounting information in accordance with the law and bookkeeping standards and practices generally accepted in Norway.

Stavanger, 24 June 2021
PricewaterhouseCoopers AS

Arne Birkeland
State Authorised Public Accountant

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