



Report for the third quarter and first nine months of 2021

Interoil Exploration and Production ASA

c/o Advokatfirmaet Schjødt AS

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Key figures	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021
Gross production oil/gas (boe)	447.890	301.808	346.293	354.287	311.135	302.736	275.368
Gross production oil/gas (average boepd)	5.032	3.280	3.764	3.850	3.381	3.290	2.993
Net production oil/gas (boe)	110.903	50.045	82.985	93.076	76.437	69.256	67.571
Net production oil/gas (average boepd)	1.246	543	977	1.011	830	753	734
oil/gas sold (boe)	87.664	26.478	89.557	87.912	80.613	75.345	73.714
Oil price average (usd/bbl)	49,6	26,7	41,5	45,8	58,3	65,1	69,4
Revenues (USDm)	3,5	0,6	2,6	2,3	3,1	3,2	3,3
EBITDA	0,7	-0,7	0,1	-2,4	0,6	1,4	1,6
EBITDA adjusted (USDm)	0,9	-0,6	0,2	-1,9	1,1	1,5	1,6
Operating profit (USDm)	-1,6	-1,5	-0,7	-5,8	-0,7	1,0	0,9
Exploration Expenses (USDm)	-0,2	-0,1	-0,1	-0,5	-0,6	-0,1	-0,1
Net loss/profit (USDm)	-0,9	-2,5	-2,5	-7,9	-1,0	0,3	0,2
Cash and Cash equivalents (USDm)	5,3	4,5	3,6	3,7	4,6	7,6	7,9

EBITDA Adjusted: Exploration expenses and nonrecurring items when existing are excluded.

Net production: Represents the percentage of the participating interest corresponding to the company in the different locations.

Highlights in the period

- Gross production in Q3 2021 decreased from the production registered in Q2 2021 mainly due to a combination of weather conditions that affected road transportation, national strikes and social unrest in Colombia that led to road blockages causing the suspension of the oil transportation, especially from the Vikingo operation.
- Interoil's EBITDA in Q3 2021 continues with the same positive tendency registered in the immediately preceding quarter in terms of improvement.
- In Argentina, the workover operations at the MMO-15 continues to be suspended due to the Covid-19 lockdown imposed by the Argentinian authorities prohibiting critical field experts from arriving in the country and downhole equipment from mobilizing to the well-site.
- In Colombia, Interoil continues to seek the authorities' required approval before spudding a well in Altair and LLA-47 blocks. In addition, the ANH issued in July 2021 a resolution (Agreement 005) granting companies the right to request extensions of the terms of exploration programs adversely affected by blockages, national strikes, the effects of the Covid-19 pandemic and the like. Interoil has filed with the ANH requests for extensions of the terms to perform exploration activities in both Altair and LLA-47 blocks.
- The Company requests is based on the adverse effect on the progress in exploration activities resulting from the conjoining effect of social unrest, national strikes, and adverse conditions and restrictions imposed for the ongoing serious impact of the Covid-19 pandemic in the area and the communities located in the vicinities of the blocks which have prevented advance on the socialization of the project activities. The ANH response to the Company requests is pending.

Subsequent events and current plans

- On October 15th a tower unit was mobilized to Puli C fields to repair and/or replace downhole production equipment in some producing wells aimed at recovering oil and gas production.
- On October 25th eleven Puli C workers (out of twenty-three affected to the operation) unilaterally decided to strike and to block the entrance to the Mana Treatment Facilities with legal collaboration from the Colombian Oil Union Organization (*Union Sindical Obrera – USO*) requesting additional benefits and compensation to Puli C workers. Since then and regardless all the legal actions taken by Interoil, operational management staff has been immediately mobilized to Puli C Facilities to, firstly, grant safety and integrity to the operation, to the environment and to the surrounded communities, and, in addition, to secure a direct and friendly conversation with the Union and workers illegally blocking the entrance aiming to find a suitable solution to their request. On November 4th, the workers agree to end the strike and the blockage and to continue negotiations with the Company. Regardless the blockage situation at the entrance in Mana treatment facilities, field operation and wells production have been normally flowing where oil commercial has been stored in Mana's main storage facilities. As a result of the end of the blockage, oil sales dispatch may resume shortly.

On November 1st, Perenco notified a heavy crumbling on a route section (Aguazul – Sogamoso) due to heavy rains in the last weeks forcing a temporarily shutdown of oil export system. Export operation will resume once civil works finish route repairing and normal pumping operation is restored.

- Field operations and production continue at a reasonable level despite the logistics challenges related to the COVID-19 restriction in Colombia and lockdown imposed by the Argentinean authorities.

Portfolio overview

Interoil is an independent oil and 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 onshore oil and natural gas assets. Interoil is an operator and an active license partner in several productions and exploration assets in Colombia and Argentina.

At the end of the third quarter of 2021, Interoil' portfolio consists of two producing licenses and two exploration licenses in Colombia and one exploration concession and seven production concessions in Argentina. The licenses in Colombia were acquired through company acquisitions and open bid-rounds for licenses organised by the authorities. The licences in Argentina were acquired through a share purchase agreement with the previous owner, in the case of the block located in the Provinces of Jujuy and Chubut, and through an asset purchase agreement in the case of the concession located in the province of Santa Cruz.

Following these transactions, Interoil has hydrocarbon production in both Colombia and Argentina. Income from the sale of petroleum and gas is being used to fund further exploration activities and development of these assets and/or acquire new ones.

P&L comments

Interoil's net working interest production after royalties of oil and gas in Colombia and Argentina combined was 67,571 boe in Q3 2021 compared to 69,256 boe in Q2 2021 (See note 10).

Quarterly revenues show a slight increase in Q3 2021 compared with Q2 2021 associated with improvements in oil prices. Annual variance **21,55%**; Q3 vs Q2 **7%**

Q3 2021 operating result including exploration costs expenses was USD 0,9 million compared with USD 1.0 in the previous quarter,

Profit before income tax was USD 0.4 million compared with a USD 0.6 million profit in Q2.

Total comprehensive profit during the quarter was USD 0.2 million compared to a profit of USD 0.3 million in Q2 2021.

Balance Sheet and Equity

Interoil held USD 7.8 million in cash at the end of the quarter, out of which USD 3.3 million was restricted. The restricted cash relates primarily to cash collateral for guarantees and loans.

As of 30 September 2021, book equity for the consolidated Group was negative USD 3,08 million. The improvement of the equity continues, and the company is doing important efforts to strengthen it.

Of Interoil's non-current liabilities of USD 31.1 million, USD 5.4 million relates to provisions and retirement benefit obligations and USD 25.7 million relates to long term borrowings including the bond loan of USD 22.8 million.

Current liabilities of USD 9.3 million are mainly comprised of trade and other payables/provisions of USD 6.2 million, short term borrowings (including the current part of the bond loan) of USD 1.9 million and provisions for 0.9.

In addition to the interest-bearing debt outlined above, Interoil also has off-balance-sheet commitments relating to required work programs on its exploration licenses (see Annual Report 2020), which are guaranteed with bank standby letters of credit and surety insurance. Interoil complies with the ANH guarantee requirements.

Cash flow

The Group had total cash and cash equivalent non-restricted of USD 3.9 million during the first 9 months of 2021, out of which USD 2,8 are from financing activities, USD 1M are from operations activities and USD 0,1M are from investing activities.

Statement of responsibility

The Board of Directors and the General Manager have today reviewed and approved the unaudited nine months interim financial report for the period 1 January to 30 September 2021.

The interim report has been prepared following IAS 34 "Interim Financial Reporting" in the context of the International Financial Reporting Standards (IFRS) as adopted by EU and additional Norwegian disclosure requirements for interim financial reports of listed public limited companies.

We consider, to the best of our knowledge, the accounting policies applied to be appropriate. Accordingly, the interim report gives a true and fair view of the Group's assets, liabilities, financial position and result as of 30 September 2021.

Oslo, 15 November 2021

Hugo Quevedo
Chairman
(sign)

Nicolas Acuña
Board member
(sign)

Francisco Vozza
General manager
(sign)

Isabel Valado Ramudo
Board member
(sign)

Carmela Saccomanno
Board member
(sign)

German Ranftl
Board member
(sign)

Laura Marmol
Board member
(sign)

Consolidated interim statement of comprehensive income

Amounts in USD 1 000	Note	For the 3 months period ended 30 September 2021	For the 3 months period ended 30 September 2020	For the 3 months period ended 30 June 2021	For the 9 months period ended 30 September 2021	For the 9 months period ended 30 September 2020
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Sales	4	3.315	2.606	3.195	9.580	6.692
Cost of goods sold ex depreciation	5	-1.756	-1.992	-1.163	-4.435	-4.800
Depreciation	5	-632	-736	-427	-2.350	-3.738
Gross profit		926	-122	1.605	2.795	-1.846
Exploration cost expensed		-62	-147	-133	-708	-494
Administrative expense		-765	-481	-583	-1.836	-1.729
Other (expense)/income		834	47	62	944	301
Result from operating activities		933	-703	951	1.195	-3.768
Finance income	6	389	674	125	885	3.177
Finance cost	6	-928	-1.999	-455	-1.958	-5.167
Finance expense – net		-540	-1.325	-330	-1.073	-1.990
Loss before income tax		394	-2.028	621	122	-5.758
Income tax (expense)/credit	9	-231	-489	-351	-716	-111
Loss profit from continuing operations		162	-2.517	270	-593	-5.869
Other comprehensive loss		0	0	0	0	0
Total comprehensive loss for the period, net of tax		162	-2.517	270	-593	-5.869
Attributable to:						
Equity holders of the parent		162	-2.517	-2.464	-593	-5.869

Notes 1 to 10 are an integral part of these condensed consolidated financial statements.

Consolidated interim statement of financial positions

Amounts in USD 1 000	Note	As of 30 September, 2021	As of 31 December, 2020
		(Unaudited)	(Audited)
ASSETS			
Non-current assets			
Property, plant and equipment	7	20.286	22.774
Exploration and evaluation assets		3.605	3.605
Other non-current assets		940	1.774
Total non-current assets		24.831	28.153
Current assets			
Inventories		588	490
Trade and other receivables		2.247	1.021
Assets held for sale		1.746	1.746
Cash and cash equivalents, restricted		3.313	3.064
Cash and cash equivalents, non-restricted		4.564	604
Total current assets		12.458	6.925
TOTAL ASSETS		37.288	35.078
EQUITY			
Share capital and share premium		163.685	160.145
Other paid-in equity		4.744	4.744
Retained earnings		-171.508	-170.916
Total equity		-3.080	-6.027
LIABILITIES			
Non-current liabilities			
Borrowings	8	22.797	23.322
Retirement benefit obligations		634	762
Provisions for other liabilities and charges		5.364	5.614
Other long term payables		2.314	3.461
Total non-current liabilities		31.108	33.159
Current liabilities			
Trade and other payables		6.224	6.055
Income taxes payable		162	-563
Current interest-bearing liabilities	8	1.955	1.609
Provisions for other liabilities and charges		919	845
Total current liabilities		9.260	7.946
TOTAL LIABILITIES		40.368	41.105
TOTAL EQUITY AND LIABILITIES		37.289	35.078

Notes 1 to 10 are an integral part of these condensed consolidated financial statements.

Consolidated interim statement of changes in equity

As of 30 September 2021

Amounts in USD 1 000	Share capital and share premium	Other paid-in equity	Retained earnings	Total equity
Balance at 31 December 2019	142.095	4.744	-157.122	-10.283
				(Audited)
Total comprehensive loss for the period			-13.794	-13.794
Capital increase	18.050			18.050
Balance at 31 December 2020	160.145	4.744	-170.916	-6.027
				(Unaudited)
Total comprehensive loss for the period			-592	-592
Capital increase	3.540			3.540
Balance at 30 September 2021	163.685	4.744	-171.508	-3.080

Consolidated interim cash flow statement

Amounts in USD 1 000	Note	For the 9 months period ended 30 Septemehr 2021	For the 12 months period ended 31 December 2020
		(Unaudited)	(Audited)
Cash generated from operations			
Comprehensive loss for the period – continuing operations		-593	-13.794
Total comprehensive loss of the period		-593	-13.794
Changes in cash and cash equivalents			
Depreciation, amortization and impairment		2.350	7.353
Interest income	6	-2.166	-29
Interest expense	6	1.954	3.586
Other net financial expense	6	897	819
Impairment loss on PP&E		0	147
Changes in assets & liabilities			
Inventories		-98	357
Trade and other receivables		-1.226	210
Increase in non-current assets		834	10
Trade and other payables / provision and other liabilities		-896	2.339
Net cash generated from operating activities		1.055	998
Cash flows from investing activities			
Net movement of PP&E		139	-1.041
Net cash used in investing activities		139	-1.041
Cash flows from financing activities			
Interest paid		-525	-809
Repayment of borrowings		0	-332
Changes in restricted cash classification		-249	21
Capital increase (Share subscription)		3.540	0
Net cash used in financing activities		2.766	-1.120
Net change in cash and cash equivalents		3.959	-1.163
Non restricted cash and cash equivalents at beginning of the period		604	1.767
Non restricted cash and cash equivalents at end of the period		4.563	604

Note 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 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 organisation number 988 247 006. The Company’s registered office is c/o Advokatfirmaet Schjødt AS Ruseløkkveien 14, 0251 Oslo, Norway.

The condensed consolidated interim financial information for the period ended 30 September 2021 included the company and its subsidiaries. This condensed consolidated interim financial information has been authorised for issue by the Board of Directors on 15 November 2021.

Note 2. Accounting policies

Interoil’s condensed consolidated interim financial information is prepared following IAS 34, in the context of the International Financial Reporting Standards (IFRS) as adopted by the European Union.

The same accounting policies and methods of computation, except those disclosed below, are followed as compared with the financial statements for the year ending 31 December 2020, including IFIRC 19 and this condensed consolidated interim financial information should therefore be read together with the consolidated financial statements for the year ended 31 December 2021 prepared following IFRS as adopted by the European Union.

The condensed interim financial information provides, in the opinion of management, a fair presentation of the financial position, results of operations and cash flows for the dates and periods covered based on the assumption of going concern. Interim period results are not necessarily indicative of results of operations or cash flows for an annual period.

The financial statements in the Q3 2021 Report have been prepared under the going concern assumption following 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 is confident that the ongoing operations will have a positive outcome (see notwithstanding the highlights note on delays in exploration activities for Altair and LLA-47 blocks). However, if some of the ongoing initiatives are materially delayed or turn out with a negative production result after the investment is completed, this situation might affect the company’s cash flow.

Should the Group be affected by the consequences of the exploration activities, the valuation of the Group’s assets will need to be further revised; leading to potential further impairment

The condensed interim financial information is unaudited

Note 3. Segment information

For the 3 months period ended 30 September 2021 (Unaudited)

Comprehensive Income

Amounts in USD 1 000	Colombia	Argentina	Norway	Unall. / Elimin.	Group ()
Total revenue	2.949	365	135	-135	3.315
Cost of goods sold ex depreciation	-1.402	-354	0	0	-1.756
Depreciation	-573	-59	0	0	-632
Gross profit	975	-48	135	-135	926
Exploration cost expensed	-62	0	0	0	-62
Administrative expense	-711	-79	-110	135	-765
Other income	834	0	0	0	834
Result from operating activities	1.035	-127	25	0	933
Finance income	359	0	550	-520	389
Finance costs	-405	-1	-1.043	521	-928
Loss before income tax	990	-128	-469	1	394
Income tax expense	-231	0	0	0	-231
Loss for the period	758	-128	-469	1	162

* For financial position is disclosed only lines were different segments have 10% or more.

Financial Position* (As of September 30, 2021)

Amounts in USD 1 000	Colombia	Argentina	Norway	Unall. / Elimin.	Group
Property, plant and equipment	12.932	8.657	0	-1.303	20.286
Exploration and evaluation assets	0	3.605	0	0	3.605
Other non-current assets	783	157	0	0	940
Trade and other receivables	1.391	301	800	-245	2.247
Cash and cash equivalents	4.594	125	3.158	0	7.877
Interest-bearing liabilities	1.384	0	21.413	0	22.797
Trade and other payables	3.168	1.293	1.909	-147	6.224
Prov. for other liabilities and charges	4.569	1.948	400	-634	6.283

For the 3 months period ended 30 September 2020 (Unaudited)

Comprehensive Income

Amounts in USD 1 000	Colombia	Argentina	Norway	Unall. / Elimin.	Group ()
Total revenue	2.214,00	392	81	-81	2.606
Cost of goods sold ex depreciation	-1.110,00	-882	0	0	-1.992
Depreciation	-736,00	0	0	0	-736
Gross profit	368,00	-490	81	-81	-122
Exploration cost expensed	-147,00	0	0	0	-147
Administrative expense	-436,00	0	-126	81	-481
Other income	47,00	0	0	0	47
Result from operating activities	-168,00	-490	-45	0	-703
Finance income	649,00	0	547	-522	674
Finance costs	-789,00	0	-1.732	522	-1.999
Loss before income tax	-308,00	-490	-1.230	0	-2.028
Income tax expense	-489,00	0	0	0	-489
Loss for the period	-797,00	-490	-1.230	0	-2.517

Financial Position* (As of September 30, 2020)

Amounts in USD 1 000	Colombia	Argentina	Noruega	Unall. / Elimin.	Group ()
Property, plant and equipment	15.434	13.000	0	1.308	29.742
Exploration and evaluation assets	0	0	0	0	0
Other non-current assets	1.405	107	15	0	1.527
Trade and other receivables	2.140	0	17	0	2.157
Cash and cash equivalents	3.275	291	73	0	3.639
Interest-bearing liabilities	2.211		17.893		20.104
Trade and other payables	4.033	1.729	2.305	165	8.231
Prov. for other liabilities and charges	3.172		400		3.572

* For financial position is disclosed only lines were different segments have 10% or more.

For the 3 months period ended 30 June 2021* (Unaudited)

Comprehensive Income

Amounts in USD 1 000	Colombia	Argentina	Norway	Unall. / Elimin.	Group ()
Total revenue	2.748,00	447	125	-125	3.195
Cost of goods sold ex depreciation	-887,00	-276	0	0	-1.163
Depreciation	-353,00	-74	0	0	-427
Gross profit	1.508,00	97	125	-125	1.605
Exploration cost expensed	-133,00	0	0	0	-133
Administrative expense	-450,00	-102	-156	125	-583
Other income	62,00	0	0	0	62
Result from operating activities	987,00	-5	-31	0	951
Finance income	395,00	-6	245	-509	125
Finance costs	120,00	-5	-1.079	509	-455
Loss before income tax	1.502,00	-16	-865	0	621
Income tax expense	-351,00	0	0	0	-351
Loss for the period	1.151,00	-16	-865	0	270

Financial Position* (As of June 30, 2021)

Amounts in USD 1 000	Colombia	Argentina	Noruega	Unall. / Elimin.	Group ()
Property, plant and equipment	12.649	8.717	0	-388	20.978
Exploration and evaluation assets	0	3.605	0	0	3.605
Other non-current assets	800	157	743	0	1.700
Trade and other receivables	1.441	318	68	0	1.827
Cash and cash equivalents	4.132	97	3.355	0	7.584
Interest-bearing liabilities	1.873		22.442		24.315
Trade and other payables	3.277	1.221	2.378	1.355	8.231
Prov. for other liabilities and charges	3.873	1.948	400		6.221

* At the date, current assets and non-current liabilities are mostly (more than 90%) part of the Colombian segment. For financial position is disclosed only lines were segments have 10% or more.

For the 9 months period ended 30 September 2021 (Unaudited)
Comprehensive Income

Amounts in USD 1 000	Colombia	Argentina	Norway	Unall. / Elimin.	Group ()
Total revenue	8.468,70	1.111	382	-382	9.580
Cost of goods sold ex depreciation	-3.516,04	-919	0	0	-4.435
Depreciation	-1.783,00	-178	0	-389	-2.350
Gross profit	3.169,66	14	382	-771	2.795
Exploration cost expensed	-708,00	0	0	0	-708
Administrative expense	-1.615,07	-190	-412	382	-1.836
Other income	944,30	0	0	0	944
Result from operating activities	1.790,89	-176	-31	-389	1.195
Finance income	1.360,00	2	1.578	-2.056	885
Finance costs	-1.138,90	-91	-2.785	2.057	-1.958
Loss before income tax	2.011,99	-265	-1.237	-387	122
Income tax expense	-832,30	0	0	117	-716
Loss for the period	1.179,69	-265	-1.237	-271	-593

For the 9 months ended 30 September 2020 (Unaudited)
Comprehensive Income

Amounts in USD 1 000	Colombia	Argentina	Norway	Unall. / Elimin.	Group ()
Total revenue	6.124,00	568	208	-208	6.692
Cost of goods sold ex depreciation	-3.359,00	-1.441	0	0	-4.800
Depreciation	-3.738,00	0	0	0	-3.738
Gross profit	-973,00	-873	208	-208	-1.846
Exploration cost expensed	-494,00	0	0	0	-494
Administrative expense	-1.540,00	0	-397	208	-1.729
Other income	301,00	0	0	0	301
Result from operating activities	-2.706,00	-873	-189	0	-3.768
Finance income	2.886,00	0	1.859	-1.568	3.177
Finance costs	-2.687,00	0	-4.048	1.568	-5.167
Loss before income tax	-2.507,00	-873	-2.378	0	-5.758
Income tax expense	-111,00	0	0	0	-111
Loss for the period	-2.618,00	-873	-2.378	0	-5.869

Note 4. Sales and royalty

Amounts in USD 1 000	For the 3 months period ended 30 September 2021	For the 3 months period ended 30 September 2020	For the 3 months period ended 30 June 2021	For the 9 months period ended 30 September 2021	For the 9 months period ended 30 September 2020
Sale of oil					
Sale of oil – before royalty	2.981	2.127	3.115	9.113	5.088
Royalty	-267	-123	-260	-781	-304
Sale of oil – net	2.715	2.004	2.854	8.333	4.784
Sale of gas	600	602	341	1.248	1.583
Sale of services	0	0	0	0	325
Total sales	3.315	2.606	3.196	9.580	6.692

Note 5. Cost of goods sold

Amounts in USD 1 000	For the 3 months period ended 30 September 2021	For the 3 months period ended 30 September 2020	For the 3 months period ended 30 June 2021	For the 9 months period ended 30 September 2021	For the 9 months period ended 30 September 2020
Cost of goods sold					
Lifting costs *	1.350	1.577	1.140	3.836	3.752
Changes in inventory	-74	106	-27	-92	383
Other cost of goods sold	482	309	49	692	665
Total cost of goods sold	1.758	1.992	1.162	4.436	4.800
Depreciation	632	736	427	2.351	3.738
* Lifting costs, specifications:					
Field production costs	799	1.091	645	2.178	1.934
Tariffs and transportation	349	335	334	1.060	939
Insurance	56	34	54	151	77
Production costs consultants	-5	0	0	19	138
Well services and work overs	57	14	27	155	333
Repairs and maintenance	94	51	80	273	275
Other production costs	0	52	0	0	125
Total lifting costs	1.350	1.577	1.140	3.836	3.821

Note 6. Finance income and cost

Amounts in USD 1 000	For the 3 months period ended 30 September 2021	For the 3 months period ended 30 September 2020	For the 3 months period ended 30 June 2021	For the 9 months period ended 30 September 2021	For the 9 months period ended 30 September 2020
Interest income	521	10	514	2.166	23
Realized / unrealized exchange rate	388	653	129	1.389	2.890
Other financial income	0	11	0	0	264
Total financial income	909	674	643	3.555	3.177
Interest expenses	568	1.405	810	1.954	3.091
Amortisation of debt issue cost	1	38	10	91	109
Realized / unrealized exchange rate	162	440	-207	329	1.786
Other financial expenses	718	116	571	1.866	181
Total financial expenses	1.450	1.999	1.185	4.240	5.167
Finance expenses – net	-541	-1.325	-542	-685	-1.990

Note 7. Property plant and equipment

	Oil & Gas properties	Land and buildings	Plant & machinery	Transportation	Office equipment	Total
Cost						
Cost - 31/12/20	96.941	1.729	12.391	828	601	112.490
Additions	(146)	-	28	-	-	(118)
Changes in ARO	-	-	-	-	-	-
Disposals	(20)	-	-	-	-	(20)
Cost - 30/09/21	96.775	1.729	12.419	828	601	112.352
Depreciation and Impairment						
Depreciation and Impairment - 31/12/20	(79.380)	(538)	(8.639)	(607)	(551)	(89.715)
Depreciation	(2.017)	(102)	(146)	(68)	(17)	(2.350)
Depreciation Ajuste Casa matriz	-	-	-	-	-	-
Depreciation eliminated in Disposal	-	-	-	-	-	-
Impairment	-	-	-	-	-	-
Depreciation and Impairment - 30/09/21	(81.397)	(640)	(8.785)	(675)	(568)	(92.065)
Net book values						
Net book - 31/12/20	17.561	1.191	3.752	221	50	22.775
Net book - 30/09/21	15.378	1.089	3.633	153	33	20.286

Impairment monitoring

As of September 30, 2021, there are no new circumstances different from those considered as of December 31 2020 that drives the company to consider that exist impairment indicators to apply an impairment test at the report date.

During Q4 the company will be working on the certification of the reserves to practice the proper adjustment, the most likely the significative positive improvement in the oil prices compared with Y2020 will leverage the valuation of the assets.

Note 8. Borrowings

Amounts in USD 1 000	As of 30 September 2021	As of 31 December 2020
Non-current		
Bond loan (2020 -2026 - 7.5%)	21.413	21.351
Other non-current interest bearing liabilities	1.384	1.971
Total non-current interest bearing liabilities	22.797	23.322
Current		
Interest bond loan (2020 -2026 - 7.5%)	1.485	1.427
Liabilities to financial institutions	470	182
Total current interest bearing liabilities	1.955	1.609
Total interest bearing liabilities	24.752	24.931
The maturity of the Group's borrowings is as follows*		
Amounts in USD 1000	As of 30 June 2021	As of 31 December 2020
0-12 months	1.955	1.609
Between 1 and 2 years	1.156	3.747
Between 2 and 5 years	21.641	19.575
Total borrowings	24.752	24.931

Bank loans USD 1,5 million

The Colombian branch has short term facilities with Banco de Occidente. 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 grace period.

Leasing USD 0,8 million

The Colombian branch has a leasing contract with Banco de Occidente for the offices in Bogota. Office leaseback of USD835 was made in June 2018 at the rate of IBR + 5.5% with a maturity date in April 2024.

Bond loan

In December 2019, InterOil announced plans to strengthen its balance sheet through a debt-to-equity conversion. The plan was approved by bondholders 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 the interest rate was 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 bondholders. 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.

According to this refinancing of the bond and following IAS 1.72 b, the bond was reclassified into current for the portion due within twelve months after the reporting period. The portion converted in equity is showed in the corresponding statement.

Amounts in USD 1000	
Bond loan at issue after conversion, 17 January 2020	24.333
Initial adjustment to fair value	-3.993
PIK interest	1.099
Accrued interest	3.369
Balance at 30 September 2021	24.808
Short term	1.909
Long term	22.899

Note 9. Tax

Amounts in USD 1 000	For the 3 months period ended 30 September 2021	For the 3 months period ended 30 September 2020	For the 3 months period ended 30 June 2021	For the 9 months period ended 30 September 2021	For the 9 months period ended 30 September 2020
Current income tax:					
Current income tax charge	231	-659	353	716	-627
Deferred tax:					
Relating to origination and reversal of temporary differences	0	676	0	0	266
Other:					
Previous years tax	0	472	0	0	472
Income tax expense/(credit)	231	489	353	716	111

Regarding income tax in Colombia, for the Y2021 the rate to be applied is 31% compared with the 32% for Y2020. According to the new regulations in this matter the rate expected for Y2022 will be 35%.

In the case of Argentina, there are no significant changes in income tax regulations.

Note 10. Production and sales of oil in barrels and (boe)*

	For the 3 months period ended 30 September 2021	For the 3 months period ended 30 September 2020	For the 3 months period ended 30 June 2021	For the 9 months period ended 30 September 2021	For the 9 months period ended 30 September 2020
Production in barrels / (boe)**					
Colombia					
Working interest, barrels	40.569	42.022	39.695	124.379	103.771
Working interest, gas (boe)	15.570	31.210	16.043	47.616	82.704
Royalty	-4.242	-5.360	-4.202	-12.985	-13.595
Total Colombia (net of royalty)	51.897	67.872	51.536	159.010	172.880
Argentina					
Working interest, barrels	3.763	2.032	3.355	10.202	6.898
Working interest, gas (boe)	14.676	13.081	17.492	50.146	19.210
Royalty	-2.766	0	-3.127	-9.052	0
Total Argentina (net of royalty)	15.674	15.113	17.720	51.296	26.108
Total Interoil Production (net of royalty)	67.571	82.985	69.256	210.306	198.988
	For the 3 months period ended 30 September 2021	For the 3 months period ended 30 September 2020	For the 3 months period ended 30 June 2021	For the 9 months period ended 30 September 2021	For the 9 months period ended 30 September 2020
Sales in barrels / (boe)					
Colombia					
Sale of oil, barrels net	39.705	40.503	38.456	121.280	100.381
Sale of gas, (boe)	15.570	29.211	16.042	47.616	72.117
Total sale in barrels	55.275	69.714	54.498	168.896	172.498
Argentina					
Sale of oil, barrels net	3.763	3.400	3.355	10.202	8.266
Sale of gas, (boe)	14.676	16.443	17.492	50.146	16.443
Total sale in barrels	18.439	19.843	20.847	60.348	24.709
Total Interoil Sales	73.714	89.557	75.345	229.244	197.207

(boe) Barrels of oil equivalent

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