ANNUAL REPORT 2024
Siemens Energy AS

Siemens Energy AG is a world-leading global energy company with approximately 100 000 employees, represented in close to 100 countries.

We develop high-tech, sustainable low-emission products and solutions for the energy sector that contribute to solving the climate challenges faced by society and our customers. Almost 20% of the world's energy is generated, processed and distributed with the help of technology and products from Siemens Energy AG. We are also focused on sustainability throughout the entire value chain and set requirements for ourselves and our subcontractors to achieve this. The Siemens Energy Group aims to become climate neutral in its own operations by 2030. In fiscal year 2023, the group achieved the target to power 100% of its global electricity consumption from renewable sources.

Sustainability is an integrated element of our business strategy, and the Group's ambition is to become a leading sustainability player in the industry. Innovation, competence and sustainable solutions are at the heart of our business. Ideas alone have little value. The value of innovation lies in its practical implementation, according to Siemens founder, Werner von Siemens.

The Group made a larger structural change with effect from 1 October 2022, affecting Siemens Energy three business areas: Grid Technologies, Transformation of Industry (including Offshore, Marine and Subsea) and Gas Services. In 2023, Siemens Energy AG increased its ownership to 100% of Siemens Gamesa Renewable Energy AG (SGRE), one of the world's leading suppliers of wind power solutions. SGRE AG operates over 107 gigawatts of nameplate wind power capacity worldwide, which has enabled our customers to reduce their global CO2 emissions by around 300 million tonnes per year. The implementation of SGRE into the global Siemens Energy organization is now ongoing, and as per 01 August 2024 SGRE became officially the 4th business area in Siemens Energy group alongside Grid Technologies, Transformation of Industry (including Offshore, Marine and Subsea) and Gas Services. As part of the integration, all of the shares of Siemens Gamesa Renewable Energy AS were, on 19 September, transferred from Siemens Energy Holding B.V. to Siemens Energy AS as a result of a share capital increase in Siemens Energy AS by contribution in kind.

Siemens Energy in Norway
In Norway, Siemens Energy AS develops and delivers innovative and emission-reducing solutions to the oil and gas industry and the power industry. This contributes to a significant reduction of CO2 emissions, greater utilization and efficiency. Electrification, electrified shipping and digitalization play an important role in this respect.

Siemens Energy AS represents the Norwegian business with around 1 130 employees at the end of the financial year. The company is represented in Oslo, Trondheim, Bergen, Stavanger and Bømlo.

Market
Siemens Energy AS achieved strong revenue growth in 2024, mainly due to the number of large oil & gas projects within the Norwegian sector in addition to a strong grid market moving forward. The market is expected to stabilize in general and may even decline a little in the oil and gas sector. However, the grid market is still seen as strong for future development.

Siemens Energy AS also finds that the aftermarket is strong. Considerations are being made to extend the service life of existing installations, probably driven by some uncertainty related to the consequences of the “green transition”. Interest in digital solutions is still strong and growing, also in the aftermarket.

A sustained and strengthened requirement for the reduction of emissions on a global basis means that the energy sector is also experiencing increasing demand for sustainable, and energy-efficient solutions. This includes the exploitation of alternative energy sources rather than coal, oil and gas. This also affects Siemens Energy AS' operations in Norway, which in future will strengthen the Company's opportunities in new areas. In this respect, key topics in particular will include developments in electrification, hydrogen, and opportunities within offshore wind.

The general electrification of society will entail major investments in the electricity grid in the years to come. Major investments are being made in upgrading the national and regional electricity grid in Norway, and the authorities have a record number of license applications for grid installations to process. Further growth is expected in this market. Some grid companies secure resources to realize their investment needs by entering into framework agreements. With its capacity in Norway and environmentally friendly technology, Siemens Energy AS has won major framework agreements put out to tender in this area.

The trend for zero-emission vessels in the marine sector in Norwegian waters continues at full steam, with battery solutions in addition to the development of solutions for other energy sources and energy carriers such as hydrogen. A clear demand has emerged among power companies for solutions that replace the environmentally harmful greenhouse gas SF6 with technically clean air. This will now also be a statutory EU requirement with effect from 2030. Siemens Energy has market-leading technology in this area.

The market situation for new deliveries of rotating equipment to the oil and gas sector continues to be challenging and is expected to continue to be so in the years to come. Siemens Energy's development of alternative, environmentally friendly fuels (such as hydrogen) for our turbines will be an important factor for the new opportunities in this area going forward.

Technology development
Globally, Siemens Energy AG invests around EUR 1,2 billion annually in research and development. Almost 5 000 employees worldwide are involved in various research and development activities, and a total of around 18 300 patents have been obtained.

Siemens Energy AS is well positioned, with a modern portfolio of solutions that address market demand to today's climate and environmental challenges.

In collaboration with the global organization, future solutions are being developed within power electronics, energy distribution, sensors for subsea oil production, and automation and equipment packages for offshore installations, including control of platforms from land. The company also develops diesel-electric and all-electric propulsion systems for ships and ferries that help reduce fuel consumption and emissions. These battery and propulsion systems are delivered from the company's fully digitalized factory in Trondheim to both the Norwegian and global maritime markets. The company also invests heavily in the development of digital solutions to streamline operations and reduce emissions from both installations and vessels in offshore operations. These are solutions that will also be made available to global markets.

The increased electricity consumption also entails a need to use the electricity grid more efficiently. Siemens Energy AS offers digital solutions and is working to further develop these solutions in order to contribute to even better management of the society-critical infrastructure that the energy network constitutes in Norway.

In addition, the development of alternative fuels (e-fuel), together with electrification, is the foundation for the next generation of solutions that is a major focus area in the Norwegian and global markets.

The Company annually invests significant amounts in research and development, and the company's clear strategy is to devote these funds to solutions and products that will contribute positively to the environmental accounts. In the 2024 financial year, Siemens Energy AS invested NOK 52,1 million in research and development.

Employees of Siemens Energy AS
Our values – Caring, Agile, Respectful and Responsible – form the foundation for our corporate culture. Our values and culture are reflected in our conduct and set the direction for the Company's development. We have a strong focus on listening to our customers, making quick and effective decisions, transparency and inclusion, and building strong partnerships.

Our employees are our most important asset. Targeted, continuous further development of our employees and managers is important to our success. We are committed to ensuring a high level of well-being, as well as a safe and stimulating working environment for our employees. During the current year, we have conducted a number of activities to strengthen and further develop the working environment in the company. Activities are initiated on the basis of input and feedback from employees and are undertaken by people representing the entire organization.

We rely on a regular supply of new resources and expertise. It is important for us that new employees get off to a good start, that they quickly get into their role, and that they have a good framework for acquiring the necessary skills. With a high level of recruitment of new employees in recent years, we focus on continuously improving our introduction concepts, so that we can welcome new employees in an appropriate and valuable way.

We experience that driving continuous people development throughout the organization yields good results. The company conducts regular employee surveys, and we see positive development in the results from the past year. We have the ambition that several of our initiatives will support this development further in the future.

Report in accordance with the Norwegian Equality and Anti-Discrimination Act
At the end of the financial year, Siemens Energy AS had 1 128 permanent employees, of whom 18,5 % were women. In addition, there were nine apprentices in vocational training. The average age at Siemens Energy AS is 44,1 years. In 2024, we had 27 part-time employees, of whom 11 were women. We are not aware of involuntary part-time work at Siemens Energy AS. There are 41 temporary employees, of whom seven are women. 62 of our employees took parental leave in 2024; 20 women for an average of 21,3 weeks, and 42 men for an average of 13,9 weeks.

Harmonization of wages
Siemens Energy has started a project in the fiscal year 2024 to change its system for job placements from Siemens AG's Global Reward Infrastructure Program (GRIP) to Mercer Job Library (MJL). This means that all employees must be reclassified. The work on the validation data is still ongoing at the beginning of the new fiscal year, and to ensure reliable data, we will therefore not report wage statistics this year.
A special pot from the wage settlement was set aside this year to equalize gender-related wage differences, which was distributed based on input from union representatives and personnel managers. We expect this to help close the wage gap when we map wage differences next fiscal year.

Work on inclusion and diversity
Siemens Energy AS continues to work on improving diversity in the organization as part of realizing our long-term strategy both globally and locally. Through systematic work, we aim to promote equality and prevent discrimination based on gender, ethnicity, religion, beliefs, disability, or sexual orientation, prevent harassment, and ensure the inclusion of all groups. In Norway, we have a council for inclusion and diversity, which is an advisory body for the company in this work. The council follows up and measures the KPIs related to our action plan within recruitment, development and learning, succession planning and promotions.

We also have programs in place to improve accessibility and implemented a scheme for flexible working arrangements to help our employees to balance work and family life. We use a four-step model to 1) map and investigate, 2) analyze, 3) implement measures, and 4) evaluate results. Based on this year's results, we will have a particular focus on cultural understanding and prevention of harassment in the coming fiscal year.

Siemens Energy has also participated in the SINTEF research program this year, which has focused on how Norwegian companies can ensure that senior employees remain active in the workforce towards the end of their careers. We will use this knowledge to evaluate and revise our policies for senior employees in the coming year.

At the end of the fiscal year 2024, the proportion of female leaders is 22.8 percent, which is a slight decrease from 2023. The goal of 25 percent female leaders by the end of 2025 is still within reach, as we already had a female proportion of over 25 percent in the first quarter of 2024. We have systematically worked on evaluating candidates of both genders in all leadership appointments and will continue this work going forward. The proportion of female engineers has slightly decreased from 13.8 to 13.4 percent. The total proportion of women in the company is at the same level as last year, amounting to 18.5 percent at the end of the fiscal year 2024.

This year, we have hosted several learning and awareness events on topics such as Pride, neurodiversity, and mental health. We have communicated in both English and Norwegian to include employees with diverse language backgrounds. Inclusion and diversity remain central themes at our general meetings, and by participating in external networks, we gather valuable insights and ideas from others, which help ensure we are on the right path.

Occupational health and safety
Siemens Energy AS target is Zero Harm. We work continuously to prevent injuries and accidents and to ensure that the safety of each employee is taken seriously by both the manager and the employee. Our aim is to prevent accidents from happening, while we motivate for reporting and ensure that no work-related injuries, illnesses or accidents are neglected.

Our H-value (number of injuries with absence per million working hours) ended at 1,5 in 2024 for Siemens Energy AS, compared to 0 in 2023. We had 3 injuries resulting in absence in 2024. Sick leave in the 2024 financial year was 3,5% for Siemens Energy AS, while it was 3,0% in 2023. Automn 2023 was higher than usual, otherwise normal fluctuations throughout the year, but slightly higher than last year.

Siemens Energy AS has no direct pollution to air, water or soil and generally uses very low-polluting chemicals in production. Siemens Energy AS is a member of Renas and Batteriretur, which dispose of electrical and electronic waste. We are also a member of Grønt Punkt, which takes care of recycling schemes for several types of packaging.

Report in accordance with the Norwegian Transparency Act on the company's work with fundamental human rights and decent working conditions

According to the Norwegian Transparency Act (Åpenhetsloven), companies are obliged to publish a statement on its due diligence assessments. The Company's report in compliance with the Act is included in this section of the Director's report. The full annual report is publicly available on the Contact-website of the Siemens Energy Group for Norway under link: https://www.siemens-energy.com/ro/en/home/meta/contact.html#accordion-6895ceef6e-item-98793417df.

A more detailed account of how Siemens Energy fulfils its obligations to respect fundamental human rights and decent working conditions is presented in the Group's Sustainability Report, see "Sustainability Report" at Siemens Energy which is available under https://www.siemens-energy.com/global/en/company/sustainability.html.

The Siemens Energy Group is committed to conducting business in line with the OECD Guidelines for Multinational Enterprises and the UN Sustainable Development Goals, Global Compact principles and Guiding Principles on Business and Human Rights.

To address this, Siemens Energy has globally implemented the following:

- Policy statement that defines our commitment to safeguarding both fundamental human rights and the external environment.
- Business Conduct Guidelines (BCG) for our employees.
- Code of Conduct for suppliers.
- From 2023, self-assessment of sustainability and human rights is included in all supplier qualifications. Previously, this was only a requirement for high-risk countries.
- Global risk assessments of our existing subcontractors in respect of fundamental human rights and decent working conditions.
- Audits of selected subcontractors based on the risk assessments.
- Follow-up on the results of audits in order to achieve continuous improvement in the protection of fundamental human rights and decent working conditions.
- External notification channel that can be used for reporting suspected violations of fundamental human rights and decent working conditions.
- Procurement policy for conflict minerals that promotes supply chain responsibility and transparency throughout the supply chain.

Siemens Energy Group is globally organized, with common policy, procedures, guidelines and system. This ensures equal practice and good quality in how the Group meets its obligations concerning fundamental human rights and decent working conditions in the value chain.

The Siemens Energy Group reports on the German Supply Chain Due Diligence Act (LkSG), which came into force beginning of 2023. This latest version of the report is from January 2024 and publicly available as "BAFA report 2023" under https://www.siemens-energy.com/global/en/home/company/compliance.html. The report is divided into part A to E:

- Part A describes the Strategy and Anchoring.
- Part B describes Risk analysis and Preventive measures.
- Part C describes Identification of violations and corrective measures.
- Part D describes the Complaints procedure.
- Part E describes Review of risk management.

Siemens Energy AS is subject to and adheres to the global processes. The above referred processes and the group's report is thus also applicable for Norway. In addition, local processes are in place to ensure compliance with the universally applicable regulations that apply to work carried out in Norway. These include:

- Defined criteria for risk assessment based, among other things, on the pay level in the country in which the personnel performing the work resides, as well as previous experience with the same supplier.
- Special follow-up if there are deliveries from suppliers that are classified as high risk.

For 2024, the safeguarding of fundamental human rights and decent working conditions by the Company is assessed as follows:

- Siemens Energy AS has not detected any actual adverse through its due diligence.
- For our own employees, we believe that fundamental human rights and decent working conditions are safeguarded well.
- For work carried out for us in Norway, we have established local processes to identify risks. To a very small extent we use service providers with personnel based in low-cost countries that perform assignments on site in Norway. In case foreign service providers who were identified as high risk according to our assessment criteria are used on-site for projects in Norway, this would require a tight follow-up in accordance with our procedures.
- In 2024 we carried out, for one of our major customer projects, an assessment based on the global risk assessment procedures. From these we identified two suppliers with a higher risk score. For one of these, an ESA (External Sustainability Audit) had been performed, actions followed-up and the risk found acceptable. The other supplier was followed-up by support from internal resources and successfully passed the EcoVadis Assessment. Accordingly, the risk was found acceptable.
- In addition, a risked-based assessment approach has been applied for all significant external suppliers used by Siemens Energy AS. From this analysis we have identified two suppliers which will be further evaluated in 2024/2025,

    - One is an external, foreign manpower company. The company will be assessed due to its geographical location.
    - The other is the battery cell supplier from Asia, which was also identified in last year's report. The company will be assessed due to its use of certain minerals in its products. The supplier has globally a good reputation and is a member of the Responsible Business Alliance. This membership reduces the risk from high to medium, but following measures are ongoing towards the supplier:

        - Questionnaire of the complete material traceability to review main production steps in the battery supply chain from raw material to final product
        - Request for due diligence Information on use of Conflict Minerals

Profit trends
In the 2024 financial year, Siemens Energy AS signed contracts worth NOK 5 133 million, compared to NOK 6 394 million in 2023. Although the order intake was above expectations, it represents a reduction in absolute numbers compared to 2023. It is worth noting that 2023 was an exceptional year for order intake, primarily due to the signing of the Yggdrasil project. The financial year concluded with a record-high order backlog for Siemens Energy AS, amounting to NOK 6 892 million.

Total sales revenue in 2024 amounted to NOK 4 765 million, an increase of NOK 983,9 million or 26,0% compared to the previous financial year. The increase in sales revenue is primarily the result of a project order backlog as well as a stronger aftermarket. Operating profit in 2024 was NOK 528,5 million, NOK 386,3 million higher than in 2023. Net profit after tax in 2024 was NOK 406,9 million, an increase of NOK 286,2 million from NOK 120,7 million in the previous financial year.

The Board of Directors supports the measures taken to develop the Company in line with market changes and improved results. We would like to thank all employees for their commitment and efforts during a challenging year.

Financial matters
Equity as at 30 September 2024 makes up for 26,8% of the total balance sheet. The Company has sound equity and satisfactory liquidity.

As a consequence of the Company's international activities, there is a currency risk in relation to the value of future cash flows and Balance Sheet positions in foreign currencies. These are handled through Siemens Energy Global GmbH & Co. KG, which manages currency risk for the entire Siemens Energy Group and serves as a counterparty in Siemens Energy AS' foreign exchange contracts.

The financing of Siemens Energy AS is carried out through the Siemens Energy Group's internal bank and external bank. At 30 September 2024 Siemens Energy AS had a receivable to Siemens Energy Global GmbH & Co. KG in connection with the Group account system, amounting to NOK 363,1 million. The holdings on external accounts amounted to NOK 103,7 million. As at 30 September 2024 the Board of Directors considers the risk associated with the Company's future liquidity situation to be low.

Cash flows
Total cash flow from operations in 2024 was NOK 363,0 million, an increase of NOK 461,1 million from last year. The development is mainly due to an increase in inventories. Siemens Energy AS participates in a Group cash pool system. The funds due to the company are not defined as cash, but as current receivables in the Group cash pool. In practice, this can be regarded as deposits.

Board insurance coverage
Siemens Energy AG has taken out global Board of Directors liability insurance covering possible claims arising against the Board of Directors or its members as a result of their service. The insurance generally covers the Company's liability to third parties and liability to Siemens Energy AS as an employer.

Going concern
The Board of Directors confirms that the basis for continued operation as a going concern is present, cf. Sections 3 – 3a of the Norwegian Accounting Act. The annual accounts are presented subject to the assumption of continued operation as a going concern and, in the opinion of the Board of Directors, give a true and fair view of the development and results of operations in the financial year and the financial position as at 30 September2024.

Allocation of profit for the year
Siemens Energy AS achieved a profit of NOK 406,9 million after tax in the 2024 financial year. For the financial statements for the year, the Board of Directors proposes the following appropriations to be adopted by the Annual General Meeting (in NOK million):

Net profit for the year	406,9
Dividend payment	406,0
Transfer to other equity	0,9

Oslo, 12.12.2024
Board of Directors of Siemens
Energy AS

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Joakim Lagerholm
Chairman of the Board of Directors

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Bjørn Einar Brath
Member of the Board of Directors
and Managing Director

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Cathrine Instanes Eikanger
Member of the Board of Directors

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Nhu Tran
Member of the Board of Directors

STATEMENT OF COMPREHENSIVE INCOME

Siemens Energy AS

01.10. - 30.09. **(Amounts in 1 000 NOK)**	**Note**	**2024**	**2023**
Sales revenue	2	4 764 554	3 780 640
Other operating income	3	99 891	33 802
Total operating income		**4 864 445**	**3 814 442**
Cost of sales	4	2 044 735	1 742 930
Payroll expenses	5	1 505 513	1 312 911
Depreciation and amortisation	6, 7, 8	68 013	64 674
Bad debt	10	4 490	11 250
Other expenses	5, 11	713 178	540 415
Total expenses		**4 335 929**	**3 672 180**
Operating profit		**528 516**	**142 262**
Net interest income and other financial income	**12**	**-4 975**	**13 793**
Profit before tax		**523 541**	**156 055**
Income tax expense on profit	13	-116 690	-35 356
Net profit for the year	**14**	**406 851**	**120 700**
Items that may be reclassified through the statement of income in subsequent periods			
Change in the fair value of hedging instruments related to cash flow hedges	15	17 697	-430
Tax related to items that can be reclassified	13	-3 893	95
Total other income and expenses	**14**	**13 804**	**-336**
TOTAL COMPREHENSIVE INCOME		**420 655**	**120 364**

BALANCE SHEET

Siemens Energy AS

Assets as of 30.09. (Amounts in 1 000 NOK)	**Note**	**2024**	**2023**
Non-current assets			
Goodwill		223 839	223 839
Total intangible assets	**6**	**223 839**	**223 839**
Right-of-use assets	7	112 188	85 954
Land, buildings and other real estate	8	79 288	83 467
Plant and machinery, and plant under construction	8	41 404	43 181
Fixtures and fittings, equipment and tools	8	34 834	29 775
Total non-current tangible assets		**267 714**	**242 377**
Deferred tax asset	13	0	48 952
Investments in subsidiaries	9	597 219	0
Long-term subleasing receivables	7	13 970	21 128
Other long-term receivables	15, 16	20 197	18 912
Total non-current financial assets		**631 386**	**88 992**
Total non-current assets		**1 122 939**	**555 208**
Current assets			
Inventories	**4**	**336 669**	**343 241**
Accounts receivable	10, 15	659 491	621 029
Other current receivables	15, 18	443 723	447 110
Short-term subleasing receivables	7	11 134	10 176
Other current receivables from Group companies	17	382 104	63
Total receivables		**1 496 452**	**1 078 378**
Bank deposits, cash and cash equivalents	17	103 732	25 140
Total current assets		**1 936 853**	**1 446 759**
Total assets		**3 059 792**	**2 001 967**

BALANCE SHEET

Siemens Energy AS

Equity and liabilities as of 30.09. (Amounts in 1 000 NOK)	**Note**	**2024**	**2023**
Equity			
Share capital		88 200	87 877
Share premium reserve		615 727	18 831
Other equity		117 077	102 423
Total retained earnings		**117 077**	**102 423**
Total equity	**14**	**821 004**	**209 131**
Liabilities			
Pension premium / liabilities	19	599	1 322
Deferred tax	13	71 631	0
Other liabilities	25	21 678	26 048
Total provisions for liabilities		**93 908**	**27 370**
Long-term lease liabilities	7	117 828	113 506
Other non-current liabilities	15, 20	127 566	138 676
Total other non-current liabilities		**245 394**	**252 182**
Trade payables	15	338 829	343 742
Public duties payable		121 595	123 990
Short-term lease liabilities	7	55 135	54 519
Dividends	14	406 000	0
Advances from customers	15	82 505	47 861
Guarantee provisions	27	37 199	35 072
Current liabilities to Group companies	15, 17	1 042	270 703
Other current liabilities	15, 21	857 181	637 397
Total current liabilities		**1 899 486**	**1 513 284**
Total liabilities		**2 238 789**	**1 792 836**
Total equity and liabilities		**3 059 792**	**2 001 967**

BALANCE SHEET

Siemens Energy AS

Oslo, 12.12.2024

The board of Siemens Energy AS

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Joakim Lagerholm
Chairman of the Board of Directors

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Bjørn Einar Brath
Member of the BoD, Managing Director

Nyblom Elin

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Member of the Board of Directors

CASH FLOW STATEMENT

Siemens Energy AS

01.10. - 30.09. (Amounts in 1 000 NOK)	Note	**2024**	**2023**
Cash flows from operating activities			
Profit before tax		523 541	156 055
Ordinary depreciation/amortisation	6, 7, 8	68 013	64 674
Loss/gain on disposal of leases	7	2 148	-1 177
Loss/gain on disposal of fixed assets		-69 406	-121
Changes in inventory, acc. receivable and acc. payable	4, 10	-36 804	-299 503
disbursements in pension schemes	19	-723	-721
Change in other accruals and deferrals	6, 17, 20	-123 730	-17 293
Net cash flow from operating activities		**363 039**	**-98 085**
Cash flows from investing activities			
Proceeds from sale of tangible assets		66	9 695
Proceeds from sale of intangible assets		69 406	0
Acquisitions of tangible assets	8	-32 945	-31 540
Cash collections of subleasing receivables	7	11 129	15 236
Net cash flow from investing activities		**47 656**	**-6 609**
Cash flows from financing activities			
Change in intra-Group balances in Group cash pooling system	17	-145 820	108 063
Repayment of lease liabilities	7	-62 443	-71 095
Payment of Group contributions		-123 840	0
Net cash flow from financing activities		**-332 103**	**36 968**
Net change in cash and cash equivalents		**78 592**	**-67 726**
Cash and cash equivalents at 01.10.		25 140	92 866
Cash and cash equivalents at 30.09.		**103 732**	**25 140**

Note 1 Accounting principles

General
The Company presents the annual financial statements in accordance with Sections 3-9 of the Norwegian Accounting Act and the Regulations on the Simplified Application of International Accounting Standards (IFRS) adopted by the Norwegian Ministry of Finance on 7 February 2022. This generally means that recognition and measurement follow International Accounting Standards (IFRS) and presentation and note disclosures are in accordance with the Norwegian Accounting Act and good accounting practice.

The financial statements consist of a statement of comprehensive income, balance sheet, cash flow statement and notes. The annual report consists of the annual report, the annual accounts and the audit report. Siemens Energy AS has a non-standard financial year, ending on 30 September. All figures are given in thousand NOK unless otherwise stated.

Simplified IFRS
The Company has made use of the right to derogate from the measurement and recognition rules in Section 3-4 of the Regulation on the Simplified Application of International Accounting Standards by accounting for dividends and Group contributions in accordance with the provisions of the Norwegian Accounting Act. Apart from this, the Company has not applied any simplifications from the recognition and measurement rules in IFRS.

Basis for preparation of the financial statements
The Company's financial statements are based on the principles of historical cost accounting, except for the following accounting items: Financial instruments at fair value through the Income Statement, financial instruments available for sale that are recognised at fair value. Dividends are recognised in the period in which the dividend is adopted.

Foreign currency
Transactions in foreign currencies are translated at the exchange rate on the date of the transaction. Monetary items in foreign currencies are translated into NOK using the exchange rate on the Balance Sheet date. Non-cash items measured at historical exchange rates expressed in foreign currencies are translated into NOK using the exchange rate on the transaction date. Non-cash items measured at fair value expressed in foreign currency are translated at the exchange rate determined on the Balance Sheet date. Changes in exchange rates are recognised in the Statement of Income on an ongoing basis during the accounting period and are presented in the accounts as financial income or expenses.

Recognition principles
General
Income recognition observes the basic principle that companies must recognise income so that the expected remuneration is recognised in accordance with a pattern that reflects the transfer of goods or services to the customer. Sales revenue is presented less VAT and discounts. Revenue from the sale of goods is recognised in the Statement of Income when the delivery obligations have been fulfilled, i.e. when control of the contractual goods or services has been transferred to the customer. In the case of the sale of services and long-term manufacturing projects, control is transferred over time and revenue recognition takes place in line with deliveries to the customer. See separate section on accounting for long-term production contracts. Interest income is recognised as income based on the effective interest method as it is accrued.

Long-term production contracts
Siemens Energy AS' business mainly consists of ongoing projects lasting from a few months to three to four years. Profit recognition takes place after ongoing settlement based on the degree of completion of the project. The degree of completion is calculated as the accrued costs in relation to the total estimated costs. Estimated costs and profits are assessed on an ongoing basis and updated in the degree of completion for each accounting period, which in the Company is monthly. In case of uncertainty, the best estimate is used.

The accrued share of the expected profit is recognised as income on an ongoing basis, based on the best estimate principle. The individual projects' results are assessed each month before the share of the expected profit is recognised as income. For projects that are expected to produce losses, the losses are recognised in their entirety as soon as they become known. Balance Sheet items related to production contracts are presented on a gross basis in the Balance Sheet. Revenue that has not been invoiced is presented as contract assets under other receivables.

Expenses in production contracts that are not included in the calculation of the degree of completion as of the Balance Sheet date are recognised as an asset in the Balance Sheet under other receivables. Advance invoicing is calculated as earned income in the contract minus invoicing. Advance invoicing of contracts is presented as a contractual obligation under other current liabilities and is not netted against other receivables.

Supplementary orders, which are not considered to be a separate contract, are taken into account in the contract's planned income when these are signed. In projects with a work obligation, expenses related to unsigned but probable supplementary orders are entered temporarily as an asset in the Balance Sheet. If there is significant uncertainty about the customer's ability to pay, costs incurred are recognised in the Statement of Income and income is recognised only when payment has been received.

Provisions have been made for work under guarantees, and other uncertainties. Experience has shown that, for some projects, disagreements may arise with the client regarding such issues as the interpretation of contracts and additional work. In this connection, claims and counterclaims are made that are usually decided through negotiations, court proceedings or arbitration. In the accounts, such cases are treated on a best-estimate basis.

Other contracts
For projects that are not defined as long-term production contracts, the completed contract method is used for recognition in the Income Statement. Accrued costs are then recognised in the Balance Sheet as contract assets under other receivables and are recognised in the Income Statement together with the income at the time the customer gains control of the product or service.

Service contracts
Service contracts are recognised in the Income Statement in line with delivery of the service over time.

Borrowing costs
Borrowing costs are recognised in the Income Statement when the borrowing costs arise. Borrowing costs are recognised in the Balance Sheet to the extent that they are directly related to the production of a fixed asset. Interest expenses are incurred during the construction period until the fixed asset is recognised in the Balance Sheet. Borrowing costs are recognised in the Balance Sheet until the fixed asset is ready for use. If the cost price exceeds the fair value of the fixed asset, an impairment write-down is made.

Classification of Balance Sheet items
Assets and liabilities related to the circulation of goods and items due for payment within one year of the Balance Sheet date are classified as current assets or current liabilities. Current assets and current liabilities are measured at the lowest/highest value of acquisition cost and fair value. Fair value of current assets is defined as the assumed future sales price less expected sales costs. Other assets are classified as fixed assets. Fixed assets are valued at acquisition cost.
Fixed assets with a limited economic life are depreciated over their estimated life. Fixed assets are written down to fair value in the event of a value impairment that is not expected to be temporary. The impairment is reversed if the basis for the impairment no longer exists.

Receivables
Trade receivables are valued at nominal value at the Balance Sheet date less provisions for estimated losses. The Company uses the simplified amortisation model to calculate expected credit losses over the life of trade receivables, contract benefits and leasing receivables.
Inventories
The inventory of purchased goods is assessed at the lower of the average acquisition price or expected net sales price. Obsolete items are written down to the expected future sales price. For raw materials and goods in production, as well as fixed assets in production, the inventory is booked at the lower of the full cost of production or expected net sales value. Production costs include direct and indirect costs, including the proportion of fixed production costs.

Use of estimates
The preparation of the financial statements requires management to make discretionary assessments and assumptions when applying the Company's accounting policies. Although the estimates are based on management's best judgement at the time, actual results may differ from these estimates and assumptions. Major estimates relate to risk provisions on projects, determination of useful lives for the possession of property, plant and equipment and intangible assets, booked provisions and determination of pension obligations. The basis for the estimates is described in more detail in these accounting policies and

elsewhere in the relevant notes to the financial statements.

Conditional outcomes
Contingent losses that are more likely than not and measurable are recognised as expenses.

Forward foreign exchange contracts
As part of the risk management strategy, Siemens Energy AS hedges cash flows in forward foreign exchange contracts. The forward contracts are measured at fair value on the Balance Sheet date. Hedging efficiency is measured on an ongoing basis and documented in accordance with the requirements for the use of hedge accounting. If the requirements for the use of hedge accounting are not met, the accounting of the hedging object and the hedging instrument follows their respective assessment rules.

On hedging cash flows with Cash Flow Hedge Accounting, unrealised gains and losses on the hedging instrument are recorded against equity. Deferred tax on the provision is recognised directly in equity. Fair Value Accounting is used for other hedging contracts. Unrealised gains and losses on the hedging instrument are recognised in the Statement of income on a monthly basis.

Property, plant and equipment and intangible assets
Property, plant and equipment and intangible assets are recognised at acquisition cost less accumulated depreciation and amortisation. Property, plant and equipment and intangible assets are measured at the lower of acquisition cost and fair value. Fixed assets with a service life of less than three years or a cost price of less than NOK 15,000 are expensed in the year of acquisition. Costs associated with normal maintenance and repairs are expensed on an ongoing basis under operating expenses. Costs related to significant improvements to an operating asset that give an expected increase in value and future earnings are recognised in the Balance Sheet and depreciated over the expected economic life of the asset. Ordinary depreciation is made from the time the asset was put into ordinary operation and is calculated on a straight-line basis according to its economic life.

Development costs are recognised in the Balance Sheet to the extent that a future economic benefit related to the development of an identifiable intangible asset can be identified and the expenses can be measured reliably. Otherwise, such costs are expensed on an ongoing basis. Development recognised in the Balance Sheet is amortised on a straight-line basis over the economic life. Research costs are expensed on an ongoing basis.

Lease agreements
Siemens Energy AS as lessee
IFRS 16 Leases require the lessee to recognise lease agreements in the Balance Sheet, so that the value of the right to use the asset and the corresponding lease obligation is shown in the Balance Sheet. The lease obligation is measured at the present value of the lease payments, and the right-of-use asset is derived from this calculation. On subsequent measurement, the right-of-use asset must be amortised, while the lease obligation is reduced by the recurring instalments. Leases falling under the definition of “low-value assets” are not recognised in the Balance Sheet. Also, for short-term leases where the non-cancellable lease period is less than 12 months, the lease costs are recognised directly in the Income Statement. Several of the Company's lease agreements include other services and components, such as communal charges, fuel and taxes. Non-lease components are separated from the lease agreement and recognised as operating expenses in the Income Statement.

In order for an agreement to fall under the requirements of IFRS 16, the agreement must meet the definition of a lease, including that the assets must be identifiable, and the lessee must have the right to control the use of the assets during a given period. Significant agreements in Siemens Energy AS mainly concern leases associated with buildings and other real estate, and vehicles that will be covered by the standard.

Several of Siemens Energy AS' lease agreements include options for extensions or terminations. The non-cancellable lease period forms the basis for the lease obligation. The period covered by the extension or termination option is subscribed for if there is a probability overweight for extension.

The present value of the lease payments must be discounted at the lessee's marginal borrowing interest rate when the lease agreement's implied interest rate cannot easily be determined. The method of determining the Company's marginal borrowing rates is applied consistently and reflects

1. the borrowing rate for the relevant asset class and
2. the length of the lease period.

Siemens Energy AS as sublessor
For contracts where Siemens Energy AS is the lessor, each individual lease is classified as either an operational lease or a financial lease. A lease is classified as a financial lease if it substantially transfers all the risks and benefits associated with ownership of an underlying asset. A sublease is considered a financial lease if the asset, or parts thereof, is subleased for the most significant part of the remaining lease period in the main agreement.

Siemens Energy AS has several sublease agreements that are classified as financial subleases. The part of the right-of-use asset covered by the sublease is deducted, and instead a sublease receivable is recognised in the Balance Sheet. Gains and losses on recognition are presented in the Income Statement as other financial income or expenses. In the subsequent measurement, sublease income is presented in the Income Statement as interest income and lower amortisation of the right to use the assets.

For operational leases, Siemens Energy AS recognises lease payments as other operating income.

Investment in subsidiaries
Shares in subsidiaries intended for long-term holding are recorded on the balance sheet as investment in subsidiaries and are initially measured at fair value. Impairment is recognized when there is an indication of a permanent decline in value, determined through an annual individual impairment test of each investment. Dividends received are recognized as financial income.

Pension costs and pension commitments
Siemens Energy AS has a defined contribution occupational pension scheme for its employees. The pension cost for the period consists of paid contributions and employer's contributions. The contribution level is 5 % of the pension basis up to 7,1 National Insurance Basic Amount plus 13 % of the pension basis up to 12 Basic Amounts.

Employee stock options and share programme
Siemens Energy AG, the parent Company of Siemens Energy AS, has issued stock awards for managers in Siemens Energy AS. In addition, all employees can participate in a savings scheme linked to the purchase of Siemens Energy AG shares. For every third share the employee buys, Siemens Energy AS will give one share. Both of these option schemes are measured at fair value on the date of issue. The fair value on the issue date is recognised on a straight-line basis over the term of the option.

Public grants
Public grants are recognised as deferred income at fair value when the grant has been made and it is reasonably certain that the conditions for the grant will be met. Grants where the Company is covered for costs incurred are systematically recognised in the statement of income over the period in which the costs are recognised. Grants where the Group is compensated for the acquisition cost of an asset are recognised in the Income Statement over the useful life of the asset.

SkatteFUNN
Grants approved by the Norwegian Research Council as part of the SkatteFUNN programme are received as cash payments. The funds are entered as a reduction of costs for research and development related to the project.

Tax expense
The tax expense consists of tax payable and the change in deferred tax. Tax payable is calculated on the basis of the taxable profit. The change in deferred tax is calculated on the basis of the year's changes in tax-increasing temporary differences and tax-reducing temporary differences.

Group contributions
Group contributions are accounted for in accordance with the rules of the Norwegian Accounting Act. This means that Group contributions are recognised as a liability in the Balance Sheet in the allocation year.

Cash Flow Statement
Siemens Energy AS uses the indirect model to present the Cash Flow Statement in accordance with the Simplified IFRS for cash flow statements. The indirect model shows the gross cash flows from investment and financing activities, while the accounting result is reconciled with the net cash flow from operating activities. Siemens Energy AS participates in a Group cash pool system, for which the funds are defined as intercompany balances.

Note 2 Sales revenue

Sales revenues by business area	2024	2023
Transformation of Industry	3 787 436	2 751 595
Grid Technologies	888 617	1 001 067
Gas Services	88 501	27 979
Total sales revenue	**4 764 554**	**3 780 640**

The majority of the Company's sales revenue relates to operations in Norway. In the 2024 financial year, exports amounted to NOK 1 007 billion, which is an increase of approximately 13 % from the 2023 business year. Exports account for 21% of total revenue. The largest export markets in the 2024 financial year are the USA, the UK, Spain, and Denmark, which account for 21%, 16%, 11% and 9% of total exports, respectively.

Note 3 Other operating revenue

Other operating revenue	2024	2023
Rental income from real estate*	11 444	33 680
Profit on sale of intangible, and fixed assets	88 447	121
Total other operating income	**99 891**	**33 802**

* Rental income from real estate consists of operational lease income.

Note 4 Inventories

Inventories	2024	2023
Inventory, gross	406 355	394 459
Provision for obsolete goods	69 686	51 218
Total net inventory	**336 669**	**343 241**
Inventory of raw materials and purchased semi-finished products	51 366	33 768
Inventory of work in process	21 918	18 494
Stock of purchased goods for resale	263 385	290 979
Total net inventory	**336 669**	**343 241**
Cost of sales for the year	2 044 735	1 742 930

Note 5 Salary expenses, number of employees, remuneration, loans to employees, etc.

Salary expenses	2024	2023
Salaries	1 182 051	1 065 192
Employers' NICs	194 226	162 336
Net pension cost*	82 626	73 747
Other expenses	46 610	11 636
Total salary expenses	**1 505 513**	**1 312 911**
Average number of employees	1 080	1 028

* Net pension costs in 2024 consist of a contribution-based scheme of NOK 65,1 million, excluding Employer’s NICs , and a new AFP scheme of NOK 17,6 million, excluding Employer’s NICs.

Information concerning the Board of Directors and the Managing Director
Remuneration
Remuneration to the Board of Directors of Siemens Energy AS amounted to NOK 30 000 in the 2024 business year. The Chairman of the Board of Directors did not receive any remuneration during the period. In the event of resignation, Board members do not receive any remuneration.

The Managing Director's salary for the 2024 financial year was NOK 3 397 252. Of this, bonus amounts to NOK 881 073. Reportable remuneration was NOK 23 977.

Pension entitlements
The Managing Director is included in the pension scheme for senior managers in Siemens Energy AS. The regular contributions to the pension scheme in the 2024 financial year amounted to NOK 84 909.

Share-based remuneration
Gains on stock awards depend on the share price of Siemens Energy AG measured against the redemption price at the time of redemption. Stock awards may be exercised in instalments of 25 % of the original stock awards over a period of four years. The exercise of this right requires that the person concerned is still employed by the Company. At 30 September 2024, the Managing Director held stock awards worth NOK 1,0 million. None of the Board members have received stock awards.

Loans and guarantees
Neither the Chairman of the Board of Directors nor the Managing Director have loans in Siemens Energy AS at 2024. Management has not received remuneration or financial benefits from other companies in the same Group than those shown above. There is no additional remuneration for special services outside the normal functions of a manager.

Information concerning other employees
Loans and guarantees
Other employees have loans in the Company of NOK 0,5 million. The loans are repaid over a maximum of 8 years. Normal interest rates are calculated for the loans. No separate collateral has been provided for the loans other than the issue of promissory notes.

Fees to auditor	2024	2023
Proposed statutory audit fee for the year	2 171	1 987
Other certification services	243	145
Other services	0	0
Total fees to auditor	**2 414**	**2 132**

(Value added tax is not included in the audit fees.)

Note 6 Intangible assets

	Goodwill
Acquisition cost 01.10.2023	224 104
Acquisition cost 30.09.2024	**224 104**
Acc. depreciation and write-downs	-265
Book value 30.09.2024	**223 839**

Siemens Energy AS carries out annual impairment tests of goodwill. In the event of indications of impaired goodwill, the tests are performed more frequently. The impairment test was performed in September 2024 and is based on preliminary Company figures from August 2024. Recognised goodwill in the Company at 30 September 2024 is NOK 223,8 million and is mainly derived from the following acquisitions:

Bennex AS	FY 2011
Poseidon Group AS	FY 2011
Matre Instruments AS	FY 2013

In the 2022 financial year, Siemens Energy AS was solely a cash-generating unit (CGU). Following the introduction of a new business structure at the beginning of the 2023 financial year, the cash-generating units were redefined as the three business areas.

Allocation of goodwill	
Transformation of Industry	52 020
Grid Technologies	83 492
Gas Services	88 327
Total	**223 839**

Siemens Energy AS has used value in use to determine the recoverable amount in cash-generating units. The model is based on expected unit-specific cash flows for the next five years. Siemens Energy AS has used a weighted average cost of capital (WACC). The value in use is the present value of the estimated cash flow before tax with a discount factor that reflects the timing of the cash flows and the expected risks. The impairment test in Siemens Energy AS showed that the discounted value in use is significantly higher than the carrying amount.

The cash flows in the calculations are based on long-term budgets for the years 2025 to 2029. Cash flows after 2029 are derived using a long-term growth rate that is similar to expected long-term national inflation.

Key assumptions used in calculations of value in use. The calculations of value in use for all cash-generating units are to a great extent based on key assumptions related to:

- future cash flows
- growth rate end value (net)
- weighted average cost of capital (WACC)

Regarding the calculation of the value in use of the cash-generating units, the key assumptions are sensitive to changes in the oil price and the future demand of the unit's product lines. In connection with the impairment test of goodwill, Siemens Energy AS conducted sensitivity analyses in which it was examined which consequences changes in various assumptions would have on recoverable amounts. No probable changes in the assumptions underlying the impairment test could result in the value in use of the cash-generating units being lower than the carrying amount.

Note 7 IFRS 16 Leases

The lease agreements in Siemens Energy AS mainly concern the lease of office and production/warehouse buildings at various locations in the country. The leases recognised in accordance with IFRS 16 have a term of 1-7 years. The movement in right-of-use assets since implementation is presented below.

	Buildings and other property	Vehicles	Total
Acquisition cost 01.10. 2023	274 621	3 335	277 956
Additions of capitalised leases	58 991	2 144	61 135
Disposals of capitalised leases	-749	-81	-830
Acquisition cost 30.09.2024	**332 863**	**5 398**	**338 261**
Acc. depreciation and amortisation 01.10.2023	-190 669	-1 332	-192 001
Depreciation and amortisation	-33 222	-1 013	-34 235
Disposals - acc. depreciation and amortisation	93	70	163
Acc. depreciation and amortisation 30.09.2024	**-223 798**	**-2 275**	**-226 073**
Book value 30.09.2024	**109 065**	**3 123**	**112 188**

Movement in the lease liability	Lease liability
Book value 01.10.2023	168 025
Additions	69 172
Disposals	-1 791
Interest expense	6 057
Lease payment	-68 500
Book value 30.09.2024	**172 963**
Long-term lease liability	117 828
Current lease liability	55 135

Movement in the sublease receivable	Sublease receivables
Book value 01.10.2023	31 304
Additions	4 929
Disposals	0
Sublease interest income	1 047
Sublease payments received	-12 176
Book value 30.09.2024	**25 104**
Non-current sublease receivables	13 970
Current sublease receivables	11 134

Future undiscounted lease payments	Lease payments
Within 1 year	65 235
2-3 years	82 821
4-5 years	45 351
After 5 years	0
Total future undiscounted lease payments	**193 407**

Future undiscounted sublease income	Sublease income
Within 1 year	11 549
2-3 years	14 219
4-5 years	0
After 5 years	0
Total future undiscounted sublease income	**25 768**

Items recorded in the income statement related to lease agreements	2024	2023
Income from operational sublease agreements	2 713	12 128
Costs related to leases outside IFRS 16 (cf. note 11)	-2 637	-4 173
Depreciation right-of-use assets	-34 235	-33 117
Impairment right-of-use assets	0	-1 730
Interest income for sublease receivables	1 047	906
Interest expense for lease obligations	-6 057	-4 795
Gain on recognition of sublease agreement	0	1 314
Loss on recognition of sublease agreement	-1 982	0

Note 8 Property, plant and equipment

	Land/ buildings	Plant and machinery	Company equipment, fixtures and fittings	Assets under construction	Sum
Acquisition cost 01.10.2023	192 872	158 097	165 052	5 924	521 946
Acquisitions during the year	2 207	14 204	15 326	1 208	32 945
Disposals during year (cost price)*	-4 109	-602	-7 194	0	-11 905
Acquisition cost 30.09.2024	**190 970**	**171 699**	**173 184**	**7 132**	**542 985**
Acc. depreciation / write-downs	-111 682	-131 503	-144 275	0	-387 460
Book value 30.09.2024	**79 288**	**40 196**	**28 909**	**7 132**	**155 525**
Depreciation/ write-downs for the year	2 277	16 587	3 074	0	21 938
Depreciation method	Straight-line	Straight-line	Straight-line		
Useful life	50 years**	10 years	3 - 5 years		

* which fully depreciated, NOK 11,6 million
** Land retains its value and is therefore not depreciated.

Note 9 Investments in subsidiaries

In the fiscal year 2024, the Company acquired 100% ownership of the shares of Siemens Gamesa Renewable Energy AS through a contribution in kind from the parent entity, Siemens Energy Holding B.V..

On global onshore markets, Siemens Gamesa delivers wind turbine design, engineering, manufacturing and installation solutions focused mainly on geared technology, which can be adapted to regional and local needs. Global offshore markets are provided with customer-specific wind turbine equipment design, manufacturing, and installation based on direct drive technology. In Norway, SGRE AS focuses on providing services for the operation and maintenance of wind farms, including a comprehensive and flexible portfolio for the maintenance and optimization of wind turbines, thus delivering holistic lifetime care.

The local annual financial statements for SGRE AS (“The Subsidiary”) had not been finalized at the time this document was endorsed by the Board of Directors. For the fiscal year ending 2023, the Subsidiary reported a net loss of NOK 20,3 million, impacting the overall financial performance. Despite this, the total equity stood at NOK 55,8 million, reflecting the company's capital structure and financial resilience. Looking ahead to the fiscal year 2024, the financial outlook and projections for group reporting are as follows

- Total Equity: NOK 193 million
- Earnings before tax: NOK 99,6 million

Siemens Energy AS does not prepare a combined consolidated financial report with its subsidiary. In compliance with the Norwegian Accounting Act § 3-7, the statutory financial reporting of SGRE AS will be incorporated into the consolidated financial statements of the Siemens Energy Group.

The Company recorded the shares in Siemens Gamesa Renewable Energy AS as investment in subsidiaries worth NOK 597,2 million.

Note 10 Accounts receivable

Accounts receivable	**2024**	**2023**
Gross accounts receivable	673 203	630 955
Provision for losses on accounts receivable	-13 712	-9 926
Net accounts receivable	**659 491**	**621 029**

Losses on accounts receivable	777	1 813
Change in provisions for losses on accounts receivables	3 786	9 541
Change in provisions for losses on other current receivables	-73	-105
Net bad debt	**4 490**	**11 250**

Outstanding receivables older than 60 days account for approx. 3,1 % of gross receivables (compared to 5,4 % in 2023). Siemens Energy AS conducts ongoing follow-up and assessment of risk and believes that the loss provision is sufficient, based on an assessment of the receivables.

Note 11 Specification of operating expenses according to type

	2024	2023
Freight and transport costs	46 663	18 278
Lease of premises	2 637	4 173
Lighting and heating	1 599	3 499
Energy and fuel, etc. concerning production	6 214	7 496
Refuse collection, water drainage, cleaning, etc.	5 729	6 424
Rental of machinery, fixtures, etc.	1 106	1 098
Tools and fixtures (not capitalisable)	19 763	12 541
Repair and maintenance of building	38 704	39 854
Other repair and maintenance	9 052	10 839
Office expenses	7 643	8 588
Hired manpower	171 480	160 122
Fuel, maintenance, insurance and tax on means of transport	426	931
Travel and subsistence allowances	70 676	56 611
Sales and advertising costs	2 862	4 083
Entertainment expenses	1 336	1 382
Fees and gifts	3 852	3 728
Insurance premiums	20 156	18 238
Warranty and service costs	18 447	24 397
Licence, patent and royalty costs	73 231	46 442
Other expenses	211 603	111 692
Total operating expenses	**713 178**	**540 415**

Siemens Energy AS presents its Income Statement on the basis of the nature of the income and expenses. Operating expenses consist of all operational costs that are not related to projects, payroll costs and capital costs in the form of depreciation and amortisation. The main elements of other operating expenses are grouped in the above table. Leases of premises of NOK 2,6 million include short-term leases and leases of low value that are outside IFRS 16 Leases, cf. note 7.

Licence, patent and royalty costs relate to software costs from external suppliers and internal licence and royalty costs invoiced from Siemens AG. The “other expenses” item mainly consists of general administrative expenses such as personnel administration, communications administration, purchasing, research and development, IT, legal, finance, strategic planning and general administration.

Research and development	**2024**	**2023**
Total expenditures on research and development	52 096	78 474

It is assumed that the total expected earnings from ongoing research and development correspond to the total expenses. The Company's development programmes are mainly related to products and systems for Subsea applications. Other important development areas are propulsion systems for ships and drilling vessels, advanced IT solutions for the oil and gas market, marine battery plants, low-emission solutions for ships and shore power solutions. Siemens Energy AS has extensive research collaboration with universities, colleges, and external and internal research centres and partners.

Note 12 Specification of interest and other financial items

	2024	2023
Interest income from Group companies	8 092	1 479
Other interest income	4 125	4 979
Other financial income	0	1 314
Currency gains	53 493	35 167
Total interest and other financial income	**65 710**	**42 939**
Interest expense to Group companies	-6 057	-9 100
Other interest expenses	-7 758	-5 129
Other financial expenses	-2 200	-224
Currency losses	-54 670	-14 693
Total interest and other financial expenses	**-70 685**	**-29 146**
Net interest and other financial items	**-4 975**	**13 793**

Note 13 Tax

Basis for tax payable	**2024**	**2023**
Profit before tax	523 541	156 055
Permanent differences/other differences	6 867	4 652
Change in tax increase/decrease, temporary differences	-613 154	10 185
Effect of items recognised in equity	17 697	-430
Appropriation of loss carried forward	65 050	-46 622
Total basis for tax payable	**0**	**123 840**
22 % tax payable	0	27 245
Tax payable in tax expense	**0**	**27 245**

Tax expense for the year	**2024**	**2023**
Tax payable on profit for the year	0	27 245
Change in deferred tax	120 583	8 015
Change in deferred tax recognised directly in equity*	-3 893	95
Total tax expense for the year	**116 690**	**35 355**

Tax payable in the Balance sheet	**2024**	**2023**
Tax payable on profit for the year	0	27 245
Tax effect of Group contributions	0	-27 245
SkatteFUNN (previous year)**	0	1 735
Total tax payable	**0**	**1 735**

Tax-increasing/tax-reducing differences that are offset	2024	2023
Fixed assets/long-term liabilities	-33 899	-494 468
Current assets/current liabilities	452 494	317 607
Total tax-increasing/tax-reducing differences that are offset	**418 595**	**-176 861**
Accumulated tax loss carry forward	-65 050	0
Items recognised directly in equity**	-27 949	-45 645
Total deferred tax basis	**325 596**	**-222 506**
22 % Deferred tax (+)/Deferred tax asset (-)	71 631	-48 952
Change in deferred tax	120 583	8 015
of which with no effect on tax expense	3 893	-95

* Changes in recognised financial instruments and pensions and deferred tax related to these items are partly recognised directly in equity.
** Group contributions between sister companies are regarded as equity transactions in both companies and the tax effect is recognised against tax payable in the Balance Sheet. SkatteFUNN is recognised against other current receivables in the Balance Sheet.

Calculation of effective tax rate	2024 Tax expense	in % of Profit before tax
Tax calculated as average nominal tax rate	115 179	22 %
Effect of permanent differences	1 510	0 %
Tax expense in income statement	**116 690**	**22 %**

Note 14 Equity

	Share capital	Share premium	Cash flow hedging reserve	Retained equity	Total equity
As of 30.09.2023	87 877	18 831	-19 878	122 300	209 131
Contribution in kind	323	596 896	0	0	597 219
Dividend	0	0	0	-406 000	-406 000
Total comprehensive income	0	0	13 804	406 851	420 655
As of 30.09.2024	**88 200**	**615 727**	**-6 075**	**123 151**	**821 004**

In the fiscal year 2023, Siemens Energy AG successfully increased its equity stake to 100% in Siemens Gamesa Renewable Energy AG (SGRE), a globally recognized leader in wind power solutions. Strategic plans are in place to integrate SGRE's operations into the Siemens Energy Group, establishing it as a distinct business segment.

To facilitate this strategic integration in Norway, SGRE AS became a subsidiary of Siemens Energy AS in the fiscal year 2024. This restructuring was executed through Siemens Energy Holding B.V., the common holding entity, which acquired 100% of the shares in the Norwegian SGRE entity entity from Siemens Gamesa Renewable Energy S.A.U.. Subsequently, these 30 000 shares valued at NOK 597,2 million, were contributed in kind to Siemens Energy AS. As of the balance sheet date, the ownership of the shares in SGRE AS is duly recorded as an investment on the Company's balance sheet (ref. note 9).

As a result of the contribution in kind, the Company's share capital increased by NOK 323 thousand to NOK 88,2 million while the share premium totaled NOK 615,7 million at the end of the reporting year.

At 30 September 2024 the Company's share capital consists of 140 000 shares, each with a nominal value of NOK 630,00 (previously NOK 627,70). The Company's shares are wholly owned by Siemens Energy Holding BV, which in turn is 100 % owned by Siemens Energy AG.

Note 15 Currency derivatives and financial instruments

Based on the current guidelines, 75 to 100 % of future cash flows and positions in foreign currencies must be hedged by using forward contracts and options. A hedging-oriented strategy is the basis for the use of financial instruments against underlying business cash flows.

Siemens Energy AS has significant currency exposure related to purchases and sales in EUR, USD, GBP and SEK. Options can also be used to protect against fluctuations in the project's tendering phase. Siemens Energy AS hedges against commodity exposure by using financial forward contracts. All hedging transactions are undertaken against Siemens Energy Global GmbH & Co. KG. Siemens Energy AS has no financial instruments linked to interest rate exposure.

The following amounts related to currency hedging contracts are recognised as financial income/expenses in the financial year	**2024**	**2023**
Realised income gain/loss (-) from expired hedging contracts	-9 199	28
Accumulated gain/loss (-) not reversed from equity	-22 748	-13 443

The following amounts related to currency hedging contracts are recognised against other income and expenses (adjusted for deferred tax)	**2024**	**2023**
Unrealised gain/loss (-) recognised in the financial year	21 929	-8 461
Accumulated gain/loss (-) not reversed from equity	-6 072	28 003

Overview of unrealised forward foreign exchange contracts at 30 September2024

Forward foreign exchange contracts (against NOK)	**Currency amount**	**Amount in NOK**	**Agreed average price**	**Price at 30.09.2024**	**Average remaining term in days**
Sale CHF	74	927	12,5305	12,4637	30
Purchase CHF	148	1 847	12,4783	12,4637	37
Sale EUR	161 108	1 864 817	11,5750	11,7645	151
Purchase EUR	212 138	2 475 970	11,6715	11,7645	187
Sale GBP	353	4 716	13,3776	14,0820	112
Purchase GBP	1 647	22 233	13,4964	14,0820	206
Sale SEK	135 855	140 172	1,0318	10,4110	114
Purchase SEK	115 644	119 481	1,0332	10,4110	99
Sale USD	13 674	143 064	10,4625	10,5078	120
Purchase USD	10 716	111 334	10,3890	10,5078	122

Fair value of derivatives recognised in the Balance Sheet as at 30.09.2024	**2024**	**2023**
CHF	7	0
EUR	147	4 323
GBP	660	-238
SEK	-590	-31
USD	686	-4 645
Total	**910**	**-591**

Positive holdings: Short-term share	42 713	59 252
Positive holdings: Long-term share	19 720	18 188
Negative holdings: Short-term share	-55 418	-55 802
Negative holdings: Long-term share	-6 104	-22 229
Total	**910**	**-591**

(cf. table for currency derivatives and financial instruments).

The fair value of hedging instruments is determined by multiplying the difference between the exchange rate on the Balance Sheet date and the agreed exchange rate by the hedged amount in foreign currency and discounting it. An administration fee is charged to the issuer of the hedging instrument (Siemens Energy Global GmbH & Co.KG).

The valuation and settlement of hedging contracts are entered in the statement of income under financial expenses and income. The value of open hedging contracts is recognised in the Balance Sheet under other current or long-term receivables or other current or long-term liabilities. The proportion of long-term positive holdings amounts to NOK 19,7 million and of long-term negative holdings to NOK -6,1 million.

Siemens Energy AS uses Cash Flow Hedge Accounting for larger cash flows. The purpose of hedge accounting is to avoid the effects of unrealised gains or losses on the hedging instrument. Hedging efficiency is measured on an ongoing basis and documented in accordance with the requirements for the use of hedge accounting. If the requirements for the use of hedge accounting are not met, the accounting of the hedging object and hedging instrument follow their respective valuation rules.

In Cash Flow Hedge Accounting, unrealised gains and losses on the hedging instrument are recorded against equity. Deferred tax is calculated on provisions directly against equity. Other hedging contracts not classified as hedge accounting are recognised at fair value through the Income Statement.

At 30 September 2024 there is no material ineffective hedging.

Periods when hedged cash flows in foreign currencies, classified as Cash Flow Hedge Accounting, are assumed to have an effect on profit or loss.

Time when hedged cash flows are expected to be reclassified from equity to the Income Statement	**2025**	**2026**	**2027**
Amount	6 914	5 910	0

Financial instruments by category

Assets and liabilities associated with hedging activities are either recorded through equity (NOK 5,0 million as at 30.09.2024) or measured at fair value through profit and loss (NOK -4,1 million as at 30.09.2024). All other assets and liabilities are accounted for at amortized cost, which are considered a reasonable approximation of their fair values.

Assets **as at 30.09.2024**	**Loans and receivables**	**Derivatives used for hedging purposes**	**Total**
Other non-current receivables (cf. note 16)	478	19 720	20 197
Long-term lease receivable	13 970	0	13 970
Accounts receivable	659 491	0	659 491
Other current receivables (cf. note 18)	401 010	42 713	443 723
Short-term lease liabilities	11 134	0	11 134
Total	**1 086 083**	**62 432**	**1 148 515**

Assets at 30.09.2023	**Loans and receivables**	**Derivatives used for hedging purposes**	**Total**
Other non-current receivables (cf. note 16)	724	18 188	18 912
Long-term lease receivable	21 128	0	21 128
Accounts receivable	621 029	0	621 029
Other current receivables (cf. note 18)	387 858	59 252	447 110
Short-term lease liabilities	10 176	0	10 176
Total	**1 040 915**	**77 440**	**1 118 355**

Liabilities at 30.09.2024	Other financial liabilities	Derivatives used for hedging purposes	Total
Other non-current liabilities	121 462	6 104	127 566
Long-term lease liability	117 828	0	117 828
Trade payables	338 829	0	338 829
Current liabilities Group	1 042	0	1 042
Advances from customers	82 505	0	82 505
Other current liabilities	801 764	55 418	857 181
Short-term lease liabilities	55 135	0	55 135
Total	**1 518 565**	**61 523**	**1 580 086**

Liabilities at 30.09.2023	Other financial liabilities	Derivatives used for hedging purposes	Total
Other non-current liabilities	116 446	22 229	138 676
Long-term lease liability	113 506	0	113 506
Trade payables	343 742	0	343 742
Current liabilities Group	270 703	0	270 703
Advances from customers	47 861	0	47 861
Other current liabilities	581 596	55 802	637 397
Short-term lease liabilities	54 519	0	54 519
Total	**1 528 372**	**78 031**	**1 606 403**

Note 16 Other non-current receivables

Other non-current receivables	2024	2023
Loans to employees (cf. note 5)	477	724
Other long-term receivables	19 720	18 188
Total other non-current receivables	**20 197**	**18 912**

The list shows the carrying value of receivables falling due later than one year after the balance sheet date.

Note 17 Means of payment

Siemens Energy AS has no reserved cash and cash equivalents. Siemens Energy AS has a bank guarantee of NOK 65,0 million for tax deduction obligations.

Banking activities are conducted via Siemens Energy Global GmbH & Co. KG and external banks. Siemens Energy AS has a low liquidity risk AS it is included in Siemens Energy's consolidated account system.

The holdings via the consolidated account system amounted to NOK 363,1 million net at 30 September 2024 and are classified as current receivables. The holdings on external accounts amounted to 103,7 million at 30 September 2024 and are classified as bank deposit.

Note 18 Other current receivables

Other current receivables	2024	2023
Earned, unbilled revenues from production contracts (cf. note 22)	222 418	201 417
Other earned, unbilled revenue	126 340	128 786
Currency derivatives (cf. note 15)	42 713	59 252
Other current receivables	52 252	57 655
Total other current receivables	**443 723**	**447 110**

Note 19 Pension cost and pension liabilities

Siemens Energy AS is obliged to provide an occupational pension scheme in accordance with the Norwegian Mandatory Occupational Pensions Act and has a defined contribution-based occupational pension scheme which meets the requirements of this Act. Siemens Energy AS has closed defined benefit plans, both funded and unfunded, as well as a defined contribution plan. The pension liability at 30 September 2024 amounted to NOK 0,6 million.

Defined contribution plans
Siemens Energy AS has a defined contribution-based occupational pension scheme. The contribution level is 5% of the individual employee's qualifying salary from the first NOK up to 7,1 times the National Insurance Basic Amount, and 13% of the qualifying salary between 7,1 and 12 times the National Insurance Basic Amount. NOK 65 million was paid in contributions in 2024.

The Norwegian Parliament approved that AFP will be a life-long scheme as from 1 January 2011, in which the employee can decide when to take out the pension after reaching the age of 62. The payments will be affected by the accrual time and expected remaining lifetime of each individual employee. This AFP scheme is a defined benefit multi-employer pension scheme financed through premiums that are determined as a percentage of salary. As there is no current reliable method of calculating the liability, the scheme is accounted for as a defined contribution-based scheme for which the premium payments are expensed on an ongoing basis. NOK 17,6 million was paid in contributions to this scheme in 2024.

As of 1 January 2016, the Company's previous additional defined benefit-based pension scheme for active senior managers was terminated and replaced by a defined contribution-based additional pension scheme. The pension basis for the scheme is the fixed annual salary in excess of 12 times the National Insurance Basic Amount.

Defined benefit plans – unfunded schemes
In addition to the funded occupational pension scheme, Siemens Energy AS has unfunded defined benefit-based pension commitment. It is an operations-based pension scheme that concerns pension commitments to retired senior managers. NOK 0,6 million was paid into this scheme in fiscal year 2024.

Note 20 Other non-current liabilities

Other non-current liabilities	**2024**	**2023**
Staff provision for long period of service	9 911	10 341
Currency derivatives	6 104	22 229
Guarantee provision	82 251	74 421
Other non-current liabilities	29 300	31 684
Total other non-current liabilities	**127 566**	**138 676**

The overview shows the book value of liabilities falling due later than one year after the balance sheet date.

Note 21 Other current liabilities

Other current liabilities	**2024**	**2023**
Salaries and holiday pay	224 271	192 671
Service contracts billed in advance	4 382	3 048
Provisions for liabilities	27 169	19 604
Production projects billed in advance (cf. Note 22)	519 609	358 237
Currency derivatives with negative value (cf. Note 15)	55 418	55 802
Restructuring provisions	0	0
Other current liabilities	26 332	8 036
Total other current liabilities	**857 181**	**637 398**

Provisions for liabilities	Onerous contracts	Other	Total
As of 01.10.2023	3 048	16 556	19 604
Accrued	3 489	16 211	19 700
Reversed	-3 376	-4 319	-7 695
Used	-1 381	-3 059	-4 440
As of 30.09.2024	**1 780**	**25 389**	**27 169**

Note 22 Long-term manufacturing contracts

Work in progress	2024	2023
Recognised	3 947 781	3 433 424
Expenses	-3 327 817	-2 872 645
Net effect on profit	**619 964**	**560 779**
Revenue from projects (applies to the reporting year)	3 239 019	2 375 769
Estimated remaining production cost for loss-making projects	7 622	194 430
Earned, unbilled revenue included under other current receivables from manufacturing projects where the percentage of completion method is used (cf. note 18)	222 418	201 417
Production billed in advance, included in other current liabilities from manufacturing projects where the percentage of completion method is used (cf. note 21)	519 609	358 237

Expected losses on projects are expensed in their entirety as provisions and this is reduced in step with the progress of the project/realisation of the losses.

Project risk and uncertainty
Siemens Energy AS' contracts are to a great extent long-term, and many are fixed-price contracts based on tenders. Delays, quality deficiencies or increases in project costs may result in costs that are not covered by the revenue from the project in question. If a project is identified as loss-making, provisions for expected future losses are made. The accounting treatment is based on the best estimate at the end of the accounting period. Circumstances and information may change in subsequent periods, and the final outcome may therefore be better or poorer than the assessments made at the time the financial statements were prepared.

Note 23 Financial market risk

Siemens Energy AS hedges against currency exposure by using financial forward contracts with Siemens Energy Global GmbH & Co. KG. However, the Company has no financial instruments linked to interest-bearing items. Due to Siemens Energy AG's favourable liquidity, Siemens Energy AS has a low liquidity risk. Trade receivables are assessed on an ongoing basis based on changes in market conditions and the management's assessment. For accounting purposes the assessment is considered in the provision for losses on receivables (cf. note 10).

Currency risk and the use of financial instruments are discussed in note 15.

Note 24 Transactions with related parties

Sales		2024	2023
Siemens Energy, Inc.	SE company*	191 847	117 410
Siemens Energy Global GmbH & Co. KG	SE company	111 896	19 474
Siemens Energy Co., Ltd.	SE company	83 630	116 024
Siemens Energy LLC	SE company	20 031	25 821
Siemens Energy A/S	SE company	15 663	23 252
Siemens Energy Limited	SE company	12 335	6 005
Siemens Energy Pte. Ltd.	SE company	11 759	4 214
Siemens Energy W.L.L	SE company	9 585	6 223
Siemens Energy S.A.	SE company	8 773	8 751
Siemens Energy Brasil Ltda.	SE company	5 709	6 206
Siemens Energy Canada Limited	SE company	2 573	1 241
Siemens Energy Electric Equipment (Chang	SE company	2 400	1 400
Siemens Energy Pty. Ltd.	SE company	1 739	4 509
Others	SE companies	4 171	12 414
Total sales		**482 111**	**352 944**

Purchases		2024	2023
Siemens Energy Global GmbH & Co. KG	SE company	479 117	441 207
Siemens Energy AB	SE company	70 757	20 303
Siemens Energy Austria GmbH	SE company	64 703	48 930
Siemens Energy S.A.S.	SE company	58 380	2 657
Siemens Energy Transformer	SE company	53 900	36
Siemens Energy Limited	SE company	36 209	27 979
Koncar-Energetski Transformato	SE company	23 558	255 984
Siemens Energy S.R.L.	SE company	13 376	4 546
Trench Italia S.r.l.	SE company	11 059	28 477
Industrial Turbine Company	SE company	8 743	5 967
Siemens Energy AG	SE company	6 966	17 179
Others	SE companies	45 606	48 236
Total purchases		**872 374**	**901 501**

* SE company = Siemens Energy company

Purchases and sales to related parties relate to business transactions, mainly project collaboration. There are also some cost allocations in connection with the use of shared services in the Group.

Siemens Energy AS has no outstanding balances in the Group with regard to liabilities and receivables, as purchases and sales are deducted directly from the cash pool in the Group (cf. note 17). The consolidated financial statements of Siemens Energy AG can be downloaded from the Siemens Energy AG website: https://www.siemens-energy.com/global/en/home/investor-relations/publications-ad-hoc.html

Note 25 Government grants

Zerokyst
In 2022, Siemens Energy AS received a grant from Innovation Norway in connection with the ZeroKyst project. ZeroKyst aims to drive a rapid technological shift for all types of vessels in the seafood industry. The project will develop and demonstrate a zero-emission powertrain, a new zero-emission vessel, and prepare 10 vessels for conversion. It will also offer conversion and maintenance services, along with a comprehensive solution for the flexible supply of electricity and green hydrogen as marine fuel. This initiative is expected to contribute to a 50% reduction in emissions from fishing and aqua culture vessels by 2030.

A hybrid zero-emission solution, consisting of battery and fuel cell technology, will provide long-range capabilities and short bunkering times. The project will also focus on developing new solutions for flexible and cost-effective hydrogen production, distribution, and filling. Additionally, it will test and develop charging infrastructure with efficient solutions for electricity grid utilization. The main project aims to demonstrate scalable solutions for both national and international markets, while the expertise project will develop the necessary knowledge to achieve emission reductions across the entire seafood industry.

The consortium behind ZeroKyst represents a complete value chain for the emission-free fishing and aquaculture vessels of the future. Partners include powertrain developers, shipbuilders and shipyards, shipping companies, energy and infrastructure providers, a research institute, and a university.

The project spans a four-year period from 2021 to 2024, with an extension to 2025. Siemens Energy received a subsidy of NOK 9 million from Innovation Norway for this project. In the 2023 and 2024 financial years, the company did not receive any public subsidies for the project; the next payment is expected in the 2025 financial year. The project is ongoing.

DCX
In the 2022 financial year, Innovation Norway approved a grant for an innovation project aimed at developing new DC-DC converters with galvanic isolation. This project is part of Siemens Energy's commitment to the green transition. The goal is to offer complete vessel supply systems with fuel cells and to continue being a turnkey supplier of electrical and control systems from the bridge to the propeller for small and medium-sized vessels.

The new converters will facilitate the connection of fuel cells to various DC supply systems for vessels in a simple and reliable manner. The product will be produced in two industrial units: one for large vessel systems with multiple fuel cells and a smaller unit for use in smaller vessels. The control system will be integrated into Siemens Energy's overall energy management system.

The support granted for the DCX project amounts to NOK 5,7 million. The project was originally planned for a three-year period (2021-2024), but delays have extended it into 2025. In the 2024 financial year, the company received a public grant of NOK 2,85 million. However, due to the pending license agreement related to the IP rights transfer from Norway to Germany, only the grant received up to October 1, 2023, might be retained. The funding from Innovation Norway will be revised once the license agreement is finalized and presented to Innovation Norway.

The project is ongoing and continues to make significant strides in advancing green technology for the maritime industry.

SHIP-AH2OY
In 2022, the SHIP-AH2OY project received funding from Horizon Europe to develop scalable, green, and sustainable technology for power and heat generation on board ships. The project commenced in January 2023 and is scheduled for completion by December 2027.

A total of 17 partners across Europe are collaborating on this project, which is financed with EUR 15 million. Siemens Energy AS's share of the grant amounts to NOK 17 million. In the 2024 financial year, 37% of the support was disbursed.

In 2024, the project concept was revised to focus on the combined use of hydrogen Proton Exchange Membrane Fuel Cells (PEMFC) and liquid organic hydrogen carriers (LOHC) with efficient heat integration. This new approach aims to achieve an electrical efficiency of 60% and a total efficiency of approximately 70%, a significant improvement over conventional combustion engines, despite a reduction from the initially estimated 85%.

The developed PEMFC/LOHC powertrain will be demonstrated on board one of the wind turbine service vessels being built in Spain, owned by one of the project partners. Siemens Energy AS has already delivered a BlueDrive +C power distribution system to several wind turbine service vessels. These vessels are prepared for the integration of SHIP-AH2OY equipment, and Siemens Energy AS will deliver the integration of fuel cell power into the existing BDPC power distribution system using DCX converters.

The SHIP-AH2OY project represents a significant step forward in advancing green maritime technology, contributing to the broader goals of sustainability and efficiency in the industry.

Note 26 Share-price-based compensation

Stock awards

Senior managers in Siemens Energy AS are granted options by Siemens Energy AG. Stock awards may be exercised in instalments of 25 % of the original stock awards over a period of four years. The exercise of this right requires that the person concerned is still employed by the Company.

The option cost is recognised in the statement of income of Siemens Energy AS. Siemens Energy AS is charged the expected monthly cost of the options from Siemens Energy AG at the time of allocation. This cost builds up a liability from Siemens Energy AS to Siemens Energy AG. The cost is based on the fair value of the options on the Balance Sheet date. At the time of exercise, the actual value of the options is the basis used. This forms the basis for the final cost invoiced from Siemens Energy AG.

The Norwegian marginal tax is calculated and paid to the Norwegian tax authorities, while the rest of the amount is paid to the employee from Siemens Energy AS. Total costs for these options are recognised under payroll costs. In the 2024 financial year, this amounted to NOK 4,9 million. The recognised liability amounts to NOK 9,0 million.

	2024		2023	
	Share price*	**Options**	**Share price***	**Options**
As at 01.10.		**59 292**		**29 265**
Granted	12,13	38 320	17,20	34 708
Forfeited	22,42	-10 228	22,07	-610
Vested	14,18	-13 206	19,26	-4 071
Settled		0		0
As at 30.09.		**74 178**		**59 292**

* Average price per share in EUR

Share options granted to employees

Every financial year, all Siemens Energy Group employees are offered the opportunity to purchase Siemens Energy AG shares through The Direct Match Plan. Employees who enter into this agreement have an amount of up to 5 % of their gross salary deducted over the course of two months.The amount is invested in Siemens Energy AG shares in the following month. In addition to the purchased shares, employees will directly receive matching shares in a ratio of 3:1. This means that for every 3 shares purchased, employees will receive 1 extra matching share. As soon as all shares have been allocated to the employees' account, a 12-month lock-in period begins, after which they can freely dispose of all their shares. Siemens Energy AS s billed quarterly for the administration of the Direct Match Plan in addition to the fourth share the employee is granted. For the fiscal year 2024 these costs amounted to NOK 2,4 million.

Note 27 Other Off-balance sheet liabilities

Guarantees	**2024**	**2023**
Guarantees provided by external financial institutions	329 923	413 535
Guarantees provided by Siemens Financial Services GmbH	1 850	1 739
Guarantees provided by Siemens AG	11 025	447 047
Total guarantees	**342 798**	**862 321**

In addition to recognised guarantee obligations to customers of NOK 37,2 million, Siemens Energy AS has Off-balance sheet guarantee liabilities of NOK 342,8 million, where the guarantees are issued by external financial institutions and the Siemens Group. The guarantees apply to obligations to authorities and contractual parties.

Lease commitments

In fiscal year 2024 the Company signed a lease agreement for an office location. The contract will be commenced in autumn 2025 and will last for 10 years. At commencement date the lease liability of NOK 127,8 million will be recorded as financial lease under IFRS 16.