SOLSTAD OFFSHORE

Annual report 2024

Contents

Financial Calendar

Preliminary dates for quarterly presentations and the annual general meeting in Solstad Offshore are:

Annual report 2024	April 1, 2025
1Q 2025 Trading Update	May 7, 2025
Annual general meeting	May 15, 2025
2Q/H1 2025 Report	July 14, 2025
3Q 2025 Trading Update	October 30, 2025

Solstad Offshore in Brief

OUR VISION

To deliver industry-leading and sustainable operations to the global offshore energy market.

Our Business

Solstad Offshore ASA ("Solstad Offshore", "Solstad" or "the Company") is a publicly traded company based in Norway, governed by Norwegian laws and regulations. The Company's mission is to own and operate offshore vessels. Our shipping certification is issued by DNV on behalf of the Norwegian Maritime Authority, as well as other local ship certification bodies in regions where local flags are needed, such as Brazil's Maritime Authority.

Solstad Offshore operates a diversified fleet of high-end offshore vessels primarily for the energy sector. Throughout 2024, Solstad Offshore owned six vessels – three CVSs, three AHTS vessels, and a 50% owned CSV vessel. In addition, Solstad Offshore from time to time have bareboat lease vessels from Solstad Maritime. The Company also provides ROVs, tooling, project personnel, engineering support and other services through its Services business area.

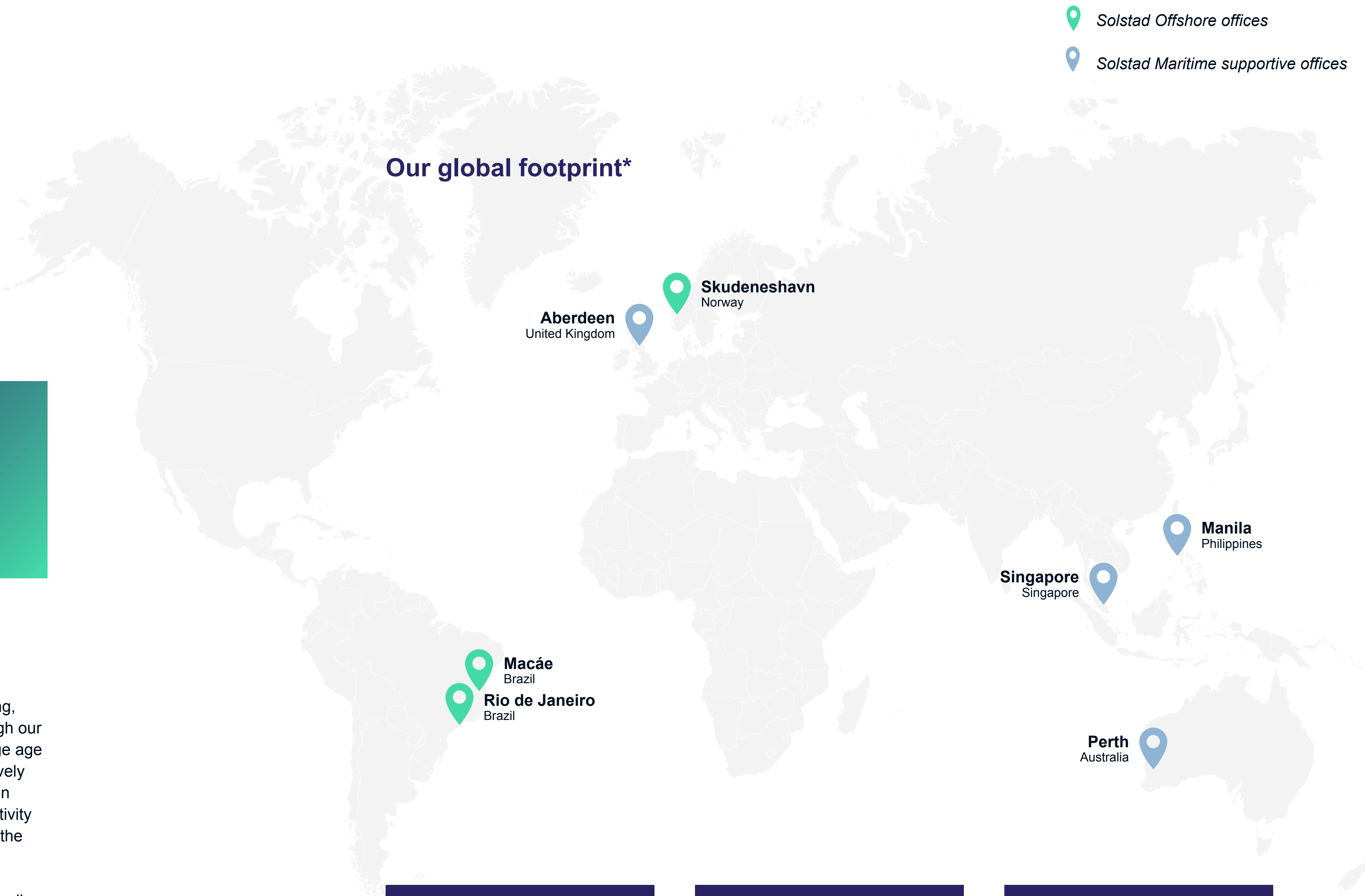
The Company's business model focuses on providing tailored marine solutions, leveraging its expertise in offshore operations. Our vessels operate globally, offering chartering, staffing, and technical maintenance services through our worldwide offices. Even though the average age of Solstad Offshore's vessels is now relatively high, this applies to the offshore segment in general (result of very little newbuilding activity after 2014). Our current fleet is still one of the most high-end offshore fleets in the world.

We provide services to a range of energy-, oil and gas- and renewables companies worldwide,. The majority of the Company's revenue comes from the oil and gas sector.

Solstad Offshore has offices in Rio de Janeiro and Macae in Brazil, and headquarter address in Skudeneshavn. The Solstad Maritime supportive management offices are located in Perth, Australia; Singapore; Manila, the Philippines; and Aberdeen, UK.

As of 31 December 2024, Solstad Offshore owns 27.3% of the shares in Solstad Maritime Holding AS, which owns and operates 32 vessels including 22 CVS and 10 AHTS vessels.

Our global footprint*



Africa
2 CSV
Oil & Gas

South America
Brazil & Argentina
3 AHTS | 1 CSV
Oil & Gas

Europe
1 CSV
Oil & Gas

Total
3 AHTS | 3 CSV | 1 CSV JV (50%)

** As of December 2024*

Our values

SAFE
Safety is our main priority. Solstad's vessels carry out operations all over the world, sometimes in extreme conditions. We recognize our employees as our most valuable asset, and we will never compromise on their safety.

COMPETENT
All employees in Solstad are key personnel. We aim not only to fulfill our clients' demands, but to deliver a service beyond their expectations. We ensure that our personnel are constantly learning to have the right competence and knowledge required at all times. Our operational knowledge shall be developed in close interaction between the marine crew and the onshore organizations.

RELIABLE
We focus on quality in all parts of our services. We shall always be trusted to treat everyone fairly and respectfully, and we keep our promises. With a vast fleet and a competent organization, our clients shall trust us to perform all operations in a safe manner and with focus on quality and efficiency in all stages of our service.

RESPONSIBLE
We care about people, assets and the environment. Our company is global, but also local in the areas we operate. We conduct our business in a responsible manner, respecting the law and universal human rights to benefit the communities where we work. We are aware of our environmental footprint and take measurable steps towards a better environment with the Solstad Green Operations program.

Collaborative Sustainability

At Solstad, we believe that solving pressing sustainability challenges requires cooperation. We therefore participate in various working groups to identify, promote, and develop technologies that enable the shipping business to become more sustainable. Solstad is a member of initiatives such as:

- Norwegian Shipowners' Association
  Norway
- Maritime CleanTech cluster
  Norway
- Blue Maritime Cluster
  Norway
- The Getting to Zero Coalition
  Denmark
- The Maritime Battery Forum (MBF)
  Norway
- MARESS Sustainability Partnership (MSP)
  Norway
- Clean Hull initiative
  Norway
- International Marine Contractors Association (IMCA)
  International
- International Marine Purchasing Association (IMPA)
  International
- Transparency International (TI)
  Norway/international

Substainability Goals Related to Significant Products and Services, Customer Groups and Geographies

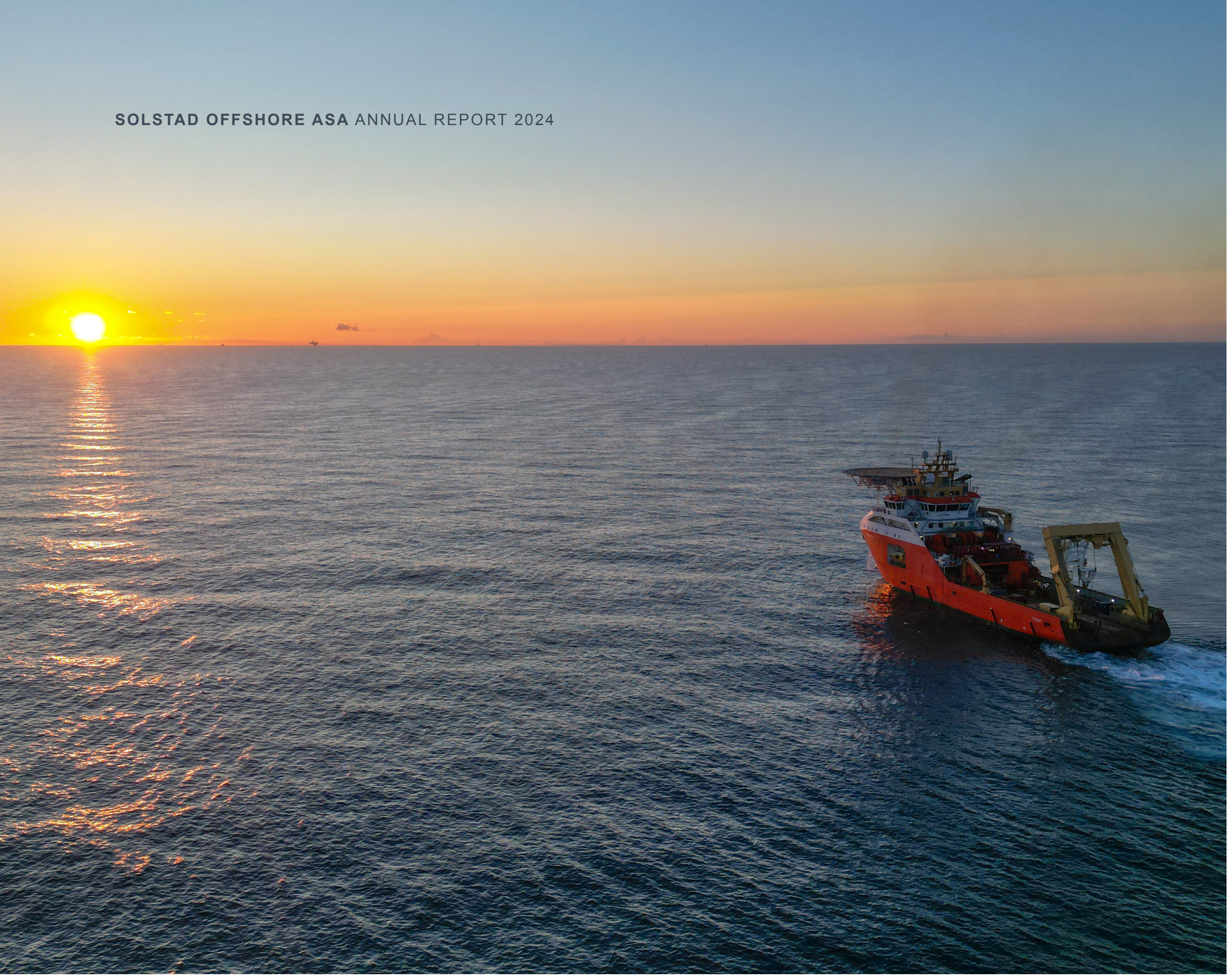
Solstad primarily offers vessel rental services for offshore activities in the energy sector, encompassing both oil and gas and renewable energy industries. Solstad's dedication to sustainability is evident through our alignment with key UN Sustainable Development Goals (UN SDGs), which guide our efforts to address broader environmental and social impacts. Each year, we evaluate the relevance of the UN SDGs to our operations and identify key sustainability issues. For this reporting period, three primary SDGs were highlighted as areas where we can make the most significant impact. These goals have been integrated into Solstad's strategy:

SDG 8 – Decent Work and Economic Growth
This goal aligns with our aim to expand operations in both existing and new business areas, ensuring fair wages and sustainable working conditions for our personnel and those in our value chain.

SDG 13 - Climate Action
To mitigate the environmental impact of our reliance on fossil fuels, we have implemented climate actions such as Solstad Green Operations, technical upgrades, and the use of renewable biofuel. The transition to renewable energy is a long-term process, and while there is currently high activity in the oil and gas sector, Solstad is participating in this transition when business opportunities arise.

SDG 14 - Life Below Water
To reduce our impact on marine life, we have adopted measures such as ballast water cleaning systems, hull cleaning with waste collection, minimization of waste disposal into the sea, and reduction of NOx and SOx emissions. Additionally, we are actively engaged with environmental organizations to further these efforts.

These sustainability initiatives demonstrate Solstad's commitment to minimize our impact on both the environment and society while maintaining operational excellence.



A Recapitalized Solstad

Solstad strengthened its balance sheet considerably during 2024, including finalizing steps to significantly reduce the Company's debt.

In January 2024, the refinancing of Solstad Maritime Holding was successfully completed. This refinancing secured new equity of NOK 4 billion and refinancing of a majority of Solstad Offshore's outstanding secured debt of about NOK 11.3 billion through a new long-term financing of approximately NOK 9.5 billion to Solstad Maritime Holding.

In June 2024, Solstad Offshore completed the refinancing of the vessel Normand Superior. The new financing was extended to 2028. This CSV is currently on a firm contract with Ocean Infinity AB until 1Q 2026, with two optional years thereafter.

Further, in November 2024, Solstad and some of its subsidiaries entered into two agreements that discharged a USD 197 million Residual Claim guaranteed by the Company, related to the financing of the vessel Normand Maximus. The agreements reduced Solstad Offshore's net debt by approximately NOK 1 billion and have an estimated annual positive accounting effect of approximately NOK 500 million through reduced interest and depreciation. In addition, a new contract extension for CSV Normand Maximus had a positive one-off accounting effect of approximately NOK 500 million. The net amount of approximately USD 102 million that was paid by the Company to the relevant parties under the two agreements, was financed by cash in the Company and a term and revolving credit facility with DNB Bank ASA.

At year-end 2024, Solstad Offshore's net debt was NOK 4.7 billion, compared to NOK 14.1 billion one year prior.

CEO LETTER

A Healthy 60-Year-Old

In the CEO letter in our 2023 annual report, I wrote: “Nothing would please me more than to show our employees, clients, shareholders, suppliers and other stakeholders that a 60-year-old Solstad is in good shape and ready for future opportunities,” referring to Solstad’s 60 anniversary in 2024.

I am delighted that the 60-year-old Solstad Offshore ASA continued to demonstrate its vitality throughout 2024, disembarking the year healthier and stronger than one year prior. A favorable offshore market coupled with our own strategically sound decision making contributed towards this.

Solstad’s vessel performance continues to be solid, achieving a vessel utilization of 95 percent for owned vessels in 2024. This resulted in revenue of MNOK 2,791 and adjusted EBITDA of MNOK 1,380, reflecting a strong operational performance.

A key reason for the Company’s healthy balance sheet is the refinancing that was completed in January 2024. This included a combination of new equity and a successful refinancing of the majority of Solstad Offshore’s outstanding secured debt, as well as postponed maturity for a residual claim linked to a former leasing arrangement.

Strengthened balance sheet
As a result of the above-mentioned refinancing, Solstad Offshore ASA was divided into two separate structures with separate shareholding. Solstad Offshore ASA owns six high-end vessels, including three CVSs, three AHTS vessels, and a 50% owned CSV vessel, while Solstad Maritime Holding AS holds 32 high-end CSVs and AHTS vessels. Solstad Offshore ASA owns approximately 27.3 percent of the shares in Solstad Maritime Holding AS. Both structures are served by the same management company and operate under the same brand. Hence, our clients, suppliers, cooperation partners and employees relate to Solstad Offshore and Solstad Maritime in the same way as before.

Further, in November 2024, Solstad Offshore ASA and some of its subsidiaries entered into an agreement that discharged a USD 197 million claim guaranteed by Solstad Offshore ASA, related to the financing of the CSV Normand Maximus. The agreement reduced Solstad Offshore’s net debt by approximately NOK 1 billion. We also signed a new contract extension for the vessel in the month.

Consequently, Solstad Offshore ASA’s net debt has been significantly reduced, providing a more robust platform for value-creation for all shareholders going forward. This became even more evident on 12 February 2025, when Solstad Offshore ASA announced that the Company intends to initiate quarterly dividend in the second half of 2025. I would like to extend my gratitude to everyone that has contributed to strengthen the Company.

Our license to operate
Good health and safety standards coupled with sustainable operations remain our license to operate. In 2024, we reported a total recordable case frequency of 0.68 over the last 12 months, a reduction from 1.25 in 2023, and below our target for the year. We continue to focus strongly on evaluation, facilitation, planning and preventative work to avoid all kinds of personnel-related injuries and incidents with adverse effect on the environment. This is integrated at all levels of our organization.

Solstad Green Operations is a cornerstone of our fuel and emission reduction program. The number of Solstad Green Operations conducted per vessel per month was 21 in 2024, up from 20 in 2023. However, our daily GHG emissions per vessel in operation were on average 5% higher in 2024 than the previous year, mainly because of higher utilization level for Solstad Offshore’s fleet in 2024.

Growing Solstad Services
We have in recent year successfully expanded our subsea service offering, called Solstad Services. The Services segment enables an offering of additional services such as ROVs, tooling, project personnel and engineering support, giving clients access to a more well-equipped vessel and service.

To further strengthen our position in the subsea services segment, we agreed to acquire a 35.8% ownership share in Omega Subsea AS in December 2024. The transaction was completed in January 2025. Omega Subsea is a market-leading provider of ROV, tooling, personnel, survey and project management services to the global subsea industry.

We expect the subsea services market to grow in the coming years, driven by investments in both oil and gas and new subsea infrastructure within renewable energy. The investment in Omega Subsea will enable us to capitalize more strongly on this projected market growth.

Solid backlog
It has been satisfying to witness another year with continued high activity within offshore energy. As a result, Solstad Offshore ASA booked order intake of BNOK 5.6 during the year. This equals a book-to-bill ratio of x2.0 and provides us with strong visibility for the coming years. Solstad Offshore ASA exited 2024 with an order backlog of BNOK 5.7, whereof BNOK 3.1 is related to Solstad Maritime vessels that are operated through Solstad Offshore ASA Brazil set-up.

Speaking of Brazil, we see particularly strong long-term opportunities here. Four Solstad Offshore owned vessels, including one CSV and all three AHTS vessels, are already engaged in South America. It is clear that our local presence in Brazil is key to capitalizing on local market opportunities here.

Very few vessels will be added to the global offshore fleet in 2025, while the demand outlook remains strong in the segments we operate. Oil companies project continued high E&P spending, and activity in offshore wind continues to drive demand for vessels. Solstad Offshore ASA’s fleet is relevant for activities in both offshore energy segments, which can give ample opportunities for our vessels and associated services offering.

As mentioned at the beginning of this letter, Solstad celebrated its 60th anniversary in 2024. If we were to run a health check of the Company now, I believe the conclusion would be that we are even healthier in our 61st year. The key to this successful ageing is the energy and efforts that my excellent colleagues continue to inject into the Company. I would like to thank them for yet another year of determination, fun and growth.

Lars Peder Solstad
CEO

Solstad Offshore
Deconsolidation of Solstad Maritime

The Company announced a financing solution on 23 October 2023 supported by Aker Capital AS, AMSC ASA, DNB Bank ASA and Eksportfinans Norge AS (the "Refinancing"). The major part of the Refinancing was completed on 16 January 2024. Assets included in the financing solution were classified as held for sale up until date of completion on 16 January 2024 and were subject to year-end 2023 impairment testing. Solstad Offshore ASA has a 27.3% direct ownership in Solstad Maritime Holding AS ("Solstad Maritime"). Solstad Maritime is reflected as an investment in associates and accounted for using the equity method in line with IAS 28. Refer to note 1 and 2.

On 19 June 2024 the NOK 750 million share issue in Solstad Maritime towards eligible shareholders in Solstad Offshore ASA was completed. This concluded the "Refinancing" of Solstad Offshore ASA.

Solstad Offshore
Refinancing and discharge of the Residual Claim

On 22 November 2024 it was announced that the Company and some of its subsidiaries had entered into two agreements which finally discharge the Residual Claim.

The agreements imply a reduction of Solstad Offshore's net debt by approximately NOK 1 billion. The agreements are estimated to have an annual positive accounting effect of approximately NOK 500 million through reduced interest and depreciation.

The two agreements between the involved parties, means that a satisfactory solution has been reached. The net amounts of approx. USD 102 million that was paid by the Company to the relevant parties under the two agreements, was financed by cash in the Company and a term and revolving credit facility with DNB Bank ASA.

The transaction was completed 22 November 2024.

Key Financials

NOK million	2024	2023	2022	2021
Operating Income *	**2,791**	**6,979**	**4,778**	**5,418**
Adjusted EBITDA *	1,425	2,830	1,650	1,534
Operating result (EBIT) *	**1,046**	**1,923**	**1,219**	**-7**
Profit before tax *	**1,353**	**345**	**-344**	**-1,110**
Cash and equivalents **	**382**	**1,883**	**2,170**	**2,459**
Equity	**3,269**	**1,825**	**1,753**	**3,083**
Net interest bearing debt ***	-4,641	-14,097	-21,117	-19,033
Adjusted net interest-bearing debt ****	-1,409	-12,047	-18,991	-16,286
Order backlog *	5,700	7,500	6,400	5,600

** Continued operations reported for 2023 and 2022 (AHTS, CSV), while historical figures for 2021 remains unaltered (AHTS, CSV, PSV)*
*** Includes assets and liabilities held for sale as of 31 December 2023 (Note 5)*
**** Including recognized debt relating to IFRS 16 Leases (Note 8 and 10). Includes assets and liabilities held for sale as of 31 December 2023 (Note 5)*
***** Included adjustments for IFSR 16 leases for 2024*

EBITDA

	2024	2023
Total operating income	2,790,715	6,978,977
Total operating costs	-1,441,797	-4,172,429
Net gain/loss on sale of assets	31,133	517,567
Operating result before depreciations and impairment (EBITDA)	**1,380,051**	**3,324,115**
Leases*	-682,418	-395,244
Accrued loss on accounts receivables	-3,945	19,427
Operational restructuring cost	71,899	72,276
Net gain/loss on sale of assets	-31,133	-517,567
Result Joint Ventures	90,482	19,935
Result associates	600,234	-4,824
VAT adjustment	-	312,118
Adjusted EBITDA	**1,425,169**	**2,830,236**

** Change in definition in 2024, 2023 historical numbers restated*

Financial Summary

(MNOK)	2024	2023	2022	2021	Ref
PROFIT AND LOSS*					
Charter income	2,480	6,730	4,583	5,128	
Other operating income	311	249	195	289	
Operating result before depreciation and impairment (EBITDA)	1,380	3,324	1,611	1,402	
Operating result	1,046	1,944	1,219	-7	
Net financial items	307	-1,579	-1,562	-1,103	
Ordinary result before tax	1,353	345	-344	-1,110	
Net result for the year	1,304	407	-1,118	-1,136	
Hereof majority's share	1,272	400	-1,113	-1,102	
BALANCE SHEET					
Non-current assets	7,516	4,391	21,257	20,865	
Current assets	1,407	1,386	4,350	4,072	
Assets held for sale	59	13,858	412	-	
Total assets	8,982	19,635	26,019	24,938	
Equity	3,269	1,825	1,753	3,083	
Non-current liabilities and provisions	4,048	2,434	20,236	17,850	
Current liabilities	1,665	13,893	4,030	4,004	
Liabilities directly associated with the assets held for sale (Note 5)	-	1,484	-	-	
Total liabilites	5,713	17,811	24,266	21,854	
DEBT					
Interest bearing liabilities and lease obligations in BS	5,011	15,896	22,811	20,720	
Borrowing costs and IFRS 9 adjustments	12	84	476	773	
Interest bearing liabilities	5,023	15,980	23,287	21,492	7
Free and restricted bank deposits	382	1,883	2,170	2,459	
Net interest-bearing liabilities	4,641	14,097	21,117	19,033	8
Lease liabilities	3,232	2,051	2,126	2,747	
Adjusted net interest-bearing liabilities	1,409	12,047	18,991	16,286	9
PROFITABILITY					
Operating margin	49 %	48 %	34 %	26 %	1
Earning on equity	54 %	19 %	-14 %	-30 %	2

(MNOK)	2024	2023	2022	2021	Ref
LIQUIDITY **					
Liquid assets	382	1,883	2,170	2,459	6
Adjusted EBITDA ***	1,425	2,830	1,650	1,534	3
Current ratio	0.8	0.1	1.1	1.0	4
CAPITAL					
Total assets	8,982	19,635	26,019	24,938	
Equity	3,269	1,825	1,753	3083	
Equity ratio	36 %	9 %	7 %	12 %	5

** Continued operations reported for 2023 and 2022 (AHTS, CSV), while historical figures for 2021 remains unaltered (AHTS, CSV, PSV)*
*** Includes assets and liabilities held for sale as of 31 December 2023 (Note 5)*
**** Change in definition in 2024,2023 updated to new definition, historical figures for 2022 and 2021 remains unchanged*

References and Definitions

1. Operating result before depreciation and impairment in percentages of total operating income
2. Result before tax, in percentage of average equity including non-controlling interests
3. Operating result before depreciation and impairment adjusted for Joint Ventures, Associated Companies, Net gain/-loss on sale of assets, IFSR 16 leases and other non-recurring items
4. Current assets divided by current liabilities
5. Booked equity including non-controlling interests in percentage of total assets
6. Cash and bank deposits (free and restricted)
7. Interest-bearing liabilities is the total of the accounting lines “Interest-bearing liabilities”, “Current interest-bearing liabilities” and “Leasing obligations”, adjusted for IFRS 9 adjustment and balance booked borrowing costs
8. Net interest-bearing liabilities is interest bearing liabilities (7) less cash and bank deposits (6)
9. Net interest-bearing liabilities adjusted for IFRS 16 leases

Solstad Offshore ASA has included the above Alternative Performance Measures (APM), which are commonly used in the business, as they are used internally by management to understand the Company’s financial performance. Hence, it is deemed that the APMs will provide useful information to external readers too.

Social Media Highlights 2024

Solstad Offshore ASA
152,414 followers
8mo •

73tons fuel saved during transit!

In Solstad Green Operations spirit, the crew onboard our CSV Normand Superior actively took measures to save fuel and emissions on their transit from South of Europe to West Africa.
With newly polished propellers and some help from mother nature with wind and current going the same direction, the generator had as low load as 1100kW.

Still being able to keep 7 to 8 knots and using only around 6 tons/day, Normand Superior was able to save approximately 73tons compared to transit with 12 knots.

Big shoutout to the crew and we wish them the best of luck with their project!

Solstad Offshore ASA
152,414 followers
6mo •

This week, Normand Navigator arrived at Husøy, Karmøy, for the mobilization of ROVs from Omega Subsea Robotics. ...more

Solstad Offshore ASA
152,414 followers
10mo •

We are pleased to announce that we have successfully completed the refinancing as outlined in the stock exchange announcement dated 23 October 2023 🎉

Importance of the refinancing:

• Successful refinancing of Solstad Group's NOK 11.4 bn secured debt maturing 31 March 2024.
• Postponed maturity for the NOK 1.8 bn residual claim from the 2020 restructuring.
• Preserves shareholder values in a highly challenging situation for the Solstad Group, through avoidance of reconstruction, debt conversion and high equity raise dilution.
• Ensures a solid financing solution at attractive terms and creates a robust industrial platform for value-creation for all shareholders going forward.

For more information 👇

Refinancing of Solstad Offshore successfully completed - Solstad Offshore ASA
solstad.com

Solstad Offshore ASA
152,414 followers
2mo • Edited •

Solstad have successfully bunkered 500 m³ of certified renewable biodiesel (HVO) on the AHTS Normand Prosper. ...more

Solstad Offshore ASA
152,414 followers
3mo •

SOLSTAD 60 YEARS!

The last decade has been marked by many changes, but we continue to be ...more

Solstad Offshore ASA
152 416 følgere
2u •

Exciting Thursday News!

We are pleased to announce that our subsea construction vessel, Normand Maximus, has secured a contract award with an undisclosed client.

This one-year contract will keep Normand Maximus fully committed to December 2026.

We wish Normand Maximus and crew the best of luck in their projects!

Vis oversettelse

Solstad Offshore ASA
152,414 followers
1mo • Edited •

We are thrilled to announce multiple contract awards with Clients in Brazil, with a combined gross contract value on approximately USD 53 million. ...more

Show translation

Solstad Offshore ASA
152 416 følgere
3d •

We are thrilled to announce that we have won the IMCA Awards 2024 in the category of Greenhouse Gas Project of the Year! ... mer

Vis oversettelse

Board of Directors

Harald Espedal
(B. 1972)

Harald Espedal is a graduate from The Norwegian School of Economics (NHH) in economics with additional studies in auditing. Today he is the Chairman of Lyse AS, Sandnes Sparebank, Espedal & CO AS, Deputy Chair in Stavanger Concert Hall, and Board member of Aspelin Ramm and The Norwegian School of Economics.

Espedal has a long career within the finance and investment industry including as CEO and Investment Director for SKAGEN and Investment Director for Vesta.

SHARES IN SOLSTAD OFFSHORE ASA*
656,687

Frank O. Reite
(B. 1970)

Frank O. Reite first joined Aker in 1995 and was CFO at Aker ASA from August 2015 until August 2019. He came from the position of President & CEO of Akastor. Reite holds several board positions including the position as vice chairman in Aker ASA, chairman of Solstad Maritime Holding AS and a board member of AMSC ASA.

Frank O. Reite has experience from banking and has served as Director in Paine & Partners. Frank O. Reite holds a B.A. in business administration from Handelshøyskolen BI in Oslo.

SHARES IN SOLSTAD OFFSHORE ASA*
356,509

Ingrid Kylstad
(B. 1985)

Ingrid Kylstad is Managing Director in Klaveness Digital. Before joining Klaveness in 2021, Kylstad was COO in Katapult Ocean, a seed stage investor within ocean technology. Prior to that she worked for the Norwegian Shipowners Association and spent several years in Brussels working on policy and regulatory issues. She is a board member in GC Rieber Salt and observer of the board of Solstad Maritime Holding AS.

Kylstad holds an MSc in European Studies from London School of Economics and Political Science and a BSc in Liberal Arts from Maastricht University. She has also completed a management program at the Solvay Brussels School of Economics and Management.

SHARES IN SOLSTAD OFFSHORE ASA*
0

Further details refer to note 9 in section Parent Company.

Ellen Solstad
(B. 1974)

Mrs. Ellen Solstad holds a bachelor's degree from BI Norwegian Business School. She has previous work experience from R.G Hagland AS and Solstad Offshore UK Ltd. Mrs. Solstad is currently Chairman of Solstad Family Office and a board member of Solvang ASA and Karmsund Interkommunale Havnevesen IKS.

SHARES IN SOLSTAD OFFSHORE ASA*
0

Peder Sortland
(B. 1963)

Peder Sortland, currently the CEO of North Sea Infrastructure AS (NSI) and Norsk Havvid AS, has 30 years' experience from the oil and gas industry. Prior to NSI, Sortland held roles as the CEO of Global Maritime Group, Apply Group and Ross Offshore/Subsea Technology Group and as Regional Vice President for Subsea 7 in Norway. Sortland spent 18 years in Equinor up to Senior Vice President level, predominantly in areas of business development, commercial negotiations and strategy work. Today Sortland is chairman of LOS Cable Solutions AS and a board member of Solstad Maritime Holding AS.

Sortland has a business education on MBA level from University of Wyoming and is a Fullbright Scholar.

SHARES IN SOLSTAD OFFSHORE ASA*
0

Board of Directors' Report

Solstad Offshore ASA ("Solstad Offshore", "Solstad" or "the Company") is an owner and operator of offshore service vessels (OSVs), offering maritime services to the global offshore energy industry. Per year-end 2024 the Company had approximately 570 highly skilled employees and two offices in Brazil. The Company owned and operated a flexible fleet of high-end offshore vessels which consists of CSVs (construction service vessels) and AHTS vessels (anchor handling tug supply vessels).

In 2024, the Company's CSV fleet was primarily involved with oil and gas projects plus some renewable energy activities. The CSV work included subsea support operations, node seismic operations, subsea construction activities, support for well stimulation operations, plus subsea and mooring installations. The AHTS vessels were all deployed in Brazil during 2024, mainly performing oil and gas activities. The Services segment established in 2024 enables an offering of additional services such as ROVs, tooling, project personnel and engineering support.

The oil price was above USD 70 per barrel most of the year, giving incentives for the oil companies to continue investing. In addition, the number of offshore wind projects under evaluation increased further. The Company was well positioned for oil and gas activities. Solstad Offshore is mainly exposed to renewable energy activities through the investment in Solstad Maritime Holding ("SMH"). About 12% of Solstad Offshore's 2024 operating income came from renewable energy activities (2023: 26%).

On 19 June 2024, the NOK 750 million share issue in Solstad Maritime Holding towards eligible shareholders in Solstad Offshore ASA was completed. This concluded the "Refinancing" of Solstad Offshore ASA.

1. Vision and Values

Solstad Offshore's vision is to deliver industry-leading sustainable operation to the global offshore energy market. The four core values of the Company are Safe – Reliable – Competent – Responsible. These values are tools to create a common culture and define how the Company operates and interacts with clients, suppliers, partners, and colleagues.

2. The Company's Activities

Solstad Offshore's activities were mainly in the offshore oil and gas markets during 2024, plus some activity within renewable energy. The operation has been organized in three business areas: AHTS, CSV and Services. Solstad Offshore has offices in Rio de Janeiro and Macae in Brazil, and headquarter address in Skudeneshavn. The Solstad Maritime supportive management offices are located in Perth, Australia; Singapore; Manila, the Philippines; and Aberdeen, UK.

Throughout 2024, Solstad Offshore owned six vessels – three CVSs, three AHTS vessels, and a 50% owned JV CSV vessel. The Company also provides ROVs, tooling, project personnel, engineering support and other services through its Services business area.

The Company's operating income in 2024 was divided into 67% (2023: 71%) from CSVs, 20% (29) from AHTS vessels, and 13% (n/a) from Services.

The regional split of the income was 70% (26) from South America, 6% (16) from Africa, 9% (35) from the North Sea, 13% (9) from the Mediterranean part of Europe, and 0% (2) from North and Central America.

The overall utilization for the Company's owned fleet was 95% in 2024 (90). The CSV fleet had a utilization of 97% (93%) and the AHTS fleet 92% (85%).

CSV

The CSV segment included three owned vessels, all operational in 2024. The CSVs are designed and equipped to support a wide range of offshore services within oil and gas and renewable energy projects. During 2024, the fleet was primarily involved with oil and gas projects plus some renewable energy activities. The work included subsea support operations, node seismic operations, subsea construction activities, support for well stimulation operations, plus subsea and mooring installations. Geographical areas of operation included North Sea and Europe including the Mediterranean, Brazil, and West Africa.

In 2024, 86% (64) of CSV revenue derived from oil and gas activity, with 14% (36) from renewable energy projects. Solstad Offshore's customer portfolio for its CSV fleet included a mix of energy companies, subsea construction companies, seismic companies and FPSO operators.

AHTS

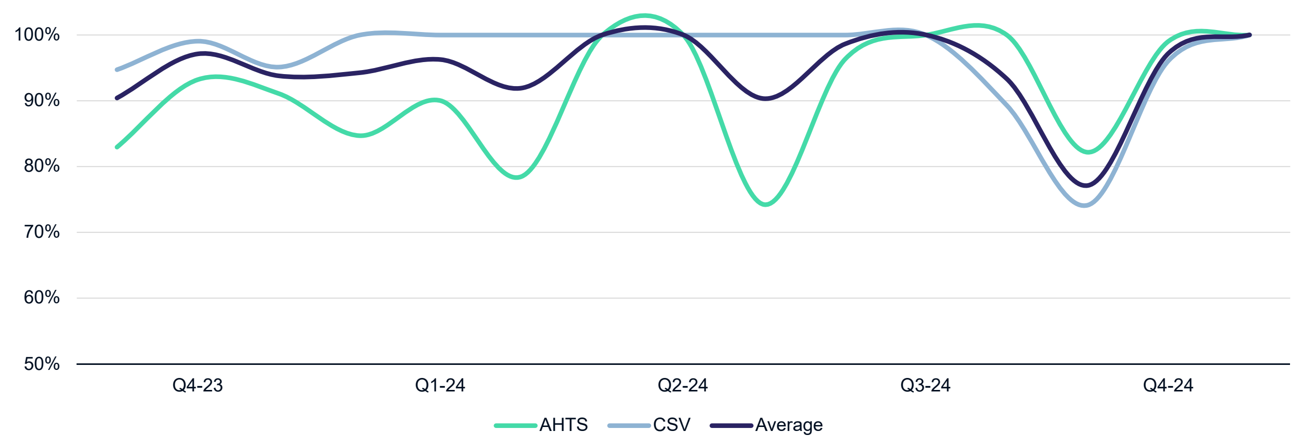
Solstad Offshore's three AHTS vessels were all deployed in Brazil during 2024. All vessels were on mid- to long term contracts. Activities within oil and gas were the dominant activity for the vessels, which supported both anchor handling and towing operations for national and independent energy companies.

Services

The Services segment enables an offering of additional services such as ROVs, tooling, project personnel and engineering support. Solstad Offshore's main focus remains on being an owner and operator of offshore vessels, but its Services offering allows clients to access a more complete and well-equipped working platform and service offering.

Solstad Offshore owned in 2024 50% of Omega Subsea Robotics AS, which so far has invested in 12 work class

Fleet Utilization - Owned Vessels



ROVs – of which eight were delivered during 2024 (2023: two ROVs). The remaining two ROVs will be delivered during 2025.

Two out of the 12 ROVs have been installed on board Solstad Offshore's vessels, while eight are installed on board the vessels of Solstad Maritime Holding.

Associated Companies

As of 31 December 2024, Solstad Offshore owns 27.3% of the shares in Solstad Maritime Holding AS, which owns and operates 32 vessels including 22 CVS and 10 AHTS vessels.

Solstad Offshore had seven Solstad Maritime vessels on bareboat lease for the full year 2024. These were the vessels Normand Valiant, Normand Flower, Normand Pioneer, Normand Poseidon, Normand Sagaris, Normand Cutter and Normand Maximus. Whereof all were operational in Brazil region.

Technical & Projects

Throughout the year, two planned dry-dockings and maintenance stops were completed, Normand Topazio main class renewal and Normand Turquesa maintenance stop. The technical uptime for owned and leased vessels for the year was 96.89% (2023: 98.23%).

HSE & HR

HSE results ended with a TRCF (total recordable case frequency) at 1.10 (1.25 in 2023). This was above the 1.00 TRCF target for the year.

By the end of the year, total number of seafarers counted 502. Retention rate per region / nationality was relatively stable and corporate retention was at 99% (2023: 94%).

The working environment, onshore and onboard the ships, was considered satisfactory. Sick leave onshore was 0.4% in 2024, down from 1.3% in 2023.

Vessel Divestment in 2024

No vessels were sold during 2024. Refer to the Refinancing in terms of the deconsolidation of SMH.

3. The Market

There has been a continued high demand for offshore vessels and related services throughout the year. Based on relatively high energy prices and the focus on both energy transition and energy security, the energy companies have in general increased their activity.

On the supply-side, the number of vessels operating in the global offshore energy market have been stable. Few CSVs and AHTS vessels have been added to the market, while about 13 new CSOV's has been delivered from yards during the year, which were all absorbed by offshore wind projects.

The activity level within offshore wind continued to grow during the year, but cost inflation and higher finance cost have challenged several of the planned future offshore wind projects. This has delayed decision processes and even withdrawal from projects. This being said, the amount of planned GW installed from fixed offshore wind is still at a high level, while energy production, in commercial scale, from floating offshore wind seams to be further delayed.

Oil and gas activity remained strong worldwide. Brazil in particular has a high activity, which gives strong demand for offshore services. Several long-term contracts have been awarded from Petrobras and other operators, and more are expected near term. Demand has been high in the more project related market too, given the high volume and complex operations in very deep water.

Some other examples are Guyana, which continues its large investments to produce oil from their deepwater discoveries, while "new" geographical areas like Surinam and Namibia have had new oil discoveries that could give increased activity in the years to come. In the North Sea, Norway has a steady high activity while UK has seen a downward trend due to introduction of new tax regulations.

4. Corporate Particulars

As of 31 December 2024, the number of shareholders were 8,257 whereof total international shareholding was approximately 10%. The largest shareholders, Aker Capital AS, Kistefos AS and Jarsteinen AS, held 32.90%, 15.37% and 7.33% respectively.

5. Corporate Governance and Management

Solstad Offshore ASA's governance and management adheres to the Company's vision and values. The Company is listed on the Oslo Stock Exchange and is subject to the Norwegian companies act, accounting act and stock exchange listing and securities trading legislation. Solstad Offshore ASA seeks to comply with the Norwegian Code of Practice for Corporate Governance, which was last revised on 14 October 2021. More information on corporate governance is given in a separate chapter in the annual report and on www.solstad.com.

The directors and officers of Solstad Offshore ASA are covered under a "Director and Officer Liability Insurance". The insurance covers personal legal liabilities including defence and legal expense. The officers and directors of the parent company and all subsidiaries globally are covered by the insurance. The cover also includes employees in managerial positions or employees who serves as directors in non-subsidiaries to safeguard the interest of the Company.

6. Financial Position and Development

The financial statements for the Company for 2024 have been prepared in accordance with IFRS® Accounting Standards as adopted by the EU.

Operating income in 2024 was MNOK 2,791 compared to MNOK 6,979 in 2023. The reduction from 2023 was predominantly driven by the deconsolidation of SMH.

Operating expenses in 2024 amounted to MNOK 1,442 compared to MNOK 4,172 in 2022. Operating result before depreciations and impairment for the year was MNOK 1,380 compared to MNOK 3,324 in 2023. Operating result before financial items and tax was MNOK 1,046 compared to MNOK 1,944 in 2023, including net-impairments of fixed assets of MNOK -529 (reversal) compared to MNOK 297 in 2023.

Cash inflows from operating activities amounted to MNOK 991. Operating result before depreciation and impairment amounted to MNOK 1,380. The difference was mainly related to working capital timing and accounting gain on non-current assets. Cash inflow from investing activities amounted to MNOK 11,066. Classification change in cash flow related to current and non-current interest bearing liabilities was the key driver for net cash inflow from investments with MNOK 11,288, partly offset by removal of cash following the deconsolidation of SMH with MNOK -1,273. Investments were mainly related to periodic maintenance and general upgrades of equipment on board vessels. Cash outflow from financing activities amounted to MNOK 12,536. This was mainly related to classification change in cash flow related to current and non-current interest bearing liabilities of MNOK 11,288, together with loan installments relating to Superior and BNDES, lease payments to related parties, interest payments and settlement payment of the Normand Maximus residual claim, partly offset by drawdown of the new financing.

The net result for 2024 was MNOK 1,278 (MNOK 288 in 2023). Net financial items for 2024 were positive of MNOK 282 due to income from investments in associates and net currency gain (net financial items of MNOK -1,579 in 2023). The movement from 2023 to 2024 was mainly due to the deconsolidation of SMH.

Earnings per share (majority) were NOK 15.45 (NOK 5.11 in 2023). Operating result before depreciation and impairment amounted to 49% of income compared to 48% in 2023. Booked equity per 31.12.2024 was MNOK 3,269 (MNOK 1,825 in 2023) i.e. NOK 39.69 per share (NOK 22.16 per share in 2023). Interest-bearing debt as of 31.12.2024 was MNOK 5,023 (MNOK 15,980 in 2023), whereof MNOK 974 (MNOK 13,452 in 2023) was classified as current liabilities. The interest-bearing debt had the following currency split: 0% (26%) NOK and 100% (74%) in USD. Overview and details of amounts, interest rates, maturity and main covenants are included in the account note 7 and 8. At year-end, the Company held MNOK 382 in cash deposits (MNOK 1,883 at year-end 2023). The cash and debt at year-end excludes the available MUSD 20 revolving working capital facility provided as part of the restructuring in 2024 (included at year-end 2023 at MNOK 1,502).

7. Health, Environment, Safety and Quality Assurance

The Company operates in accordance with international regulations and standards and is certified to ISM, ISO 14001:2015, ISO 9001:2015, ISO 45001:2018, ISO 50001:2018, MLC (Maritime Labor Convention) and ISPS (International Ship and Port Facility Security). The crews are trained according to the Company's procedures and approved pursuant to the requirements of the STCW 10 (Seafarers Training, Certification and Watchkeeping Code). Internal audits are carried out on all ships and offices on an annual basis. The common management system (Solstad Internal Management System - SIMS) includes overall objectives and policies for the Company. Further, SIMS describes the various processes and activities to be performed and each employee's responsibilities/roles related to these.

A vital part to understand and improve safety is to focus on preventive measures to avoid injuries and operational accidents or interruptions. HSE results ended with a TRCF (Total Recordable Case Frequency) at 1.10 (2023: 1.25). This was above the 1.00 TRCF target for the year from the SOFF operation of 39 vessels in the period 1 January to 16 January 2024, and thereafter the six owned, seven leased and one 50%-JV vessel for the period 17 January to 31 December 2024.

In 2024, 8,437 HSE reports (33,074 in 2023) were recorded and processed at different levels in the organization. Of the total of 4 recordable cases one was a Lost Time Incident (LTI) that resulted in LTIF of 0.27 (2023: 0.25). Conclusions from incidents analyses are used as basis for further preventative measures to avoid future accidents.

Top 10 shareholders as of 31.12.2024	Number of shares	Ownership
Aker Capital AS	27,089,493	32.90%
Kistefos AS	12,657,171	15.37%
Jarsteinen AS	6,035,966	7.33%
Kistefos Investment AS	4,000,000	4.86%
Østlandske Pensjonistboliger AS	2,364,317	2.87%
ROTH	1,500,000	1.82%
Songa Capital AS	1,411,040	1.71%
Vartdal Invest AS	1,000,000	1.21%
Olympic Group AS	871,224	1.06%
Masira Inversion SIL	764,500	0.93%

The goal of no lost-time incidents is maintained for 2025, and the Company focuses on the evaluation, facilitation, planning and preventive work to avoid all kinds of personnel-related injuries and incidents with adverse effect on the environment. Based on positive experience, the Company continues to develop and improve the safety behaviour culture program "Solstad Incident Free Operations" (SIFO). Since the program was implemented in 2019, the number of incidents have been reduced through actively involving the crew and increasing their focus on safety in their daily work.

Solstad Green Operations is a cornerstone of the Company's fuel and emission reduction program. The number of Solstad Green Operations per vessel per month was 21 for 2024, which was up from 20 in 2023. The daily GHG emissions per vessel in operation were on average 5% higher than for the previous year (33.9 tCO_2/d versus 32.2 tCO_2/d in 2023). Total emissions of 76,677 tCO_2 versus 67,734 tCO_2 in 2023, which is an increase of 13% was mainly due to increase in activity.

The fleet had 5.5 liters of oil spills to the environment during 2024 (2023: 748 liters). The goal is zero spill to the outer environment.

The Company has a program for sorting and reporting of all waste, covering both ship and onshore organizations. A program has been implemented to reduce the use of single use items such as plastic water bottles, cutlery, plastic cups etc.

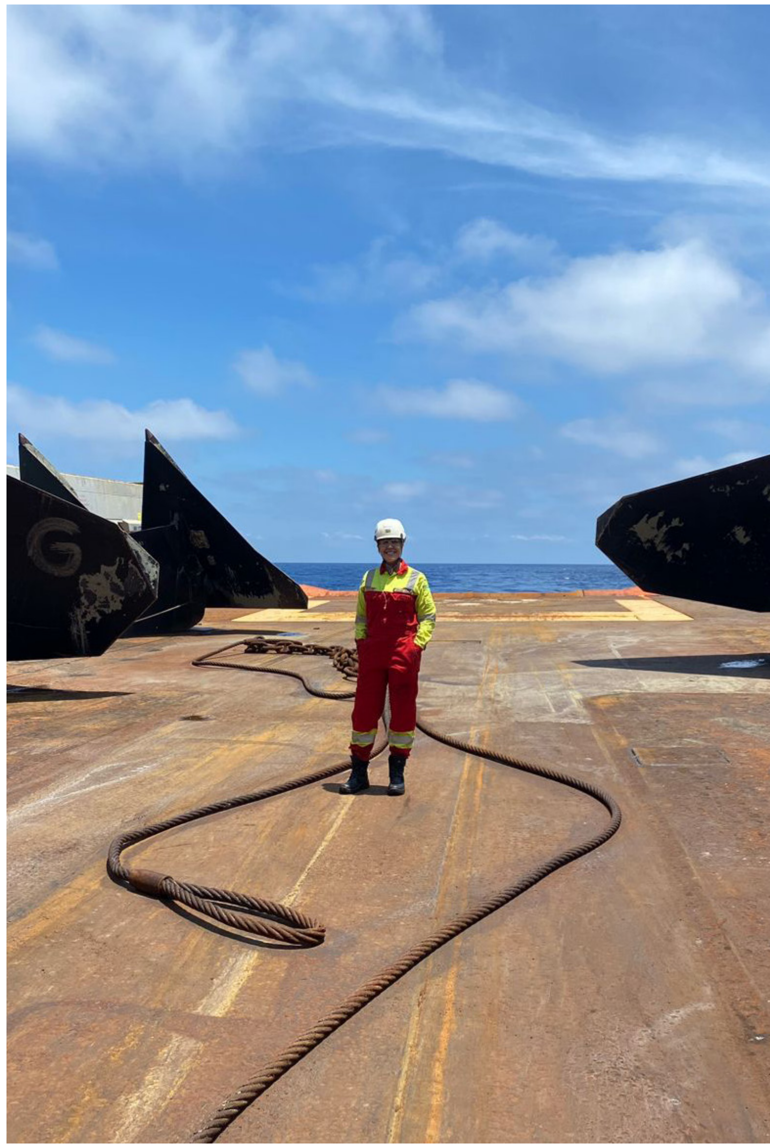
The Company's onshore administration consisted of 38 men (57%) and 29 women (43%). Out of a total of 502 marine crew at year-end, 39 were women (8%). The Company focuses on diversity and has equal opportunities for all employees, regardless of their gender, ethnic background, nationality, descent, color, language, religion and lifestyle.

8. Market Outlook

There will be very few changes to the offshore fleet in 2025, except for more CSOVs that will be delivered from yards. Looking to 2026 and beyond, however, some new CSVs have been ordered and are due for delivery then. In the large-AHTS segment, no newbuilding orders have been registered.

In general, the demand outlook is positive in the segments where the company operates. The subsea contractors have a significant backlog, the oil companies continue its high E&P spending, and despite some uncertainties around offshore wind, the activity grows and contributes to increased vessel demand.

The AHTS and the CSV fleets are relevant for both oil and gas and renewable energy activities. This being said, the AHTS vessels are more relevant for floating wind, which seems to experience delays to when this will be installed in commercial scale.



Several new offshore installations will be installed the coming years. In Brazil, Guyana, Surinam, West African countries, North Sea and other areas. This will likely give opportunities for vessel owners to support these projects on moorings, pipelaying and other installations. This could also give opportunities to provide other services such as ROVs, survey and tooling, like Solstad provides from its Services segment.

9. Risk

The Company is exposed to market, operational, cyber security, safety and environmental, climate and regulatory, tax and financial risks including refinancing risk, that affect the assets, liabilities, available liquidity, and future cash flows.

The risk mitigation framework is based on identifying, assessing, and managing risks that affect the Company (refer to note 7). The Board of Solstad monitors the overall risk factors for the Company.

Market and Operational risks

Market and operational risks are changes in the demand and prices of the services provided by the Company, and potential adverse effects of the provision of such services. In addition, the supply side can be negatively affected if too many newbuilt vessels are introduced to the market.

One of the key commercial risks for Solstad is the cyclical oil and gas markets that the Company operates in, with high volatility in charter rates, vessel values, and consequently profitability. Factors affecting this are partly outside Solstad's control and influence.

Operational risks such as technical breakdown, grounding, and malfunction of equipment are partly mitigated by insurance.

Procurement and logistic risk relate to pressure on the global supply chain. The lead time on a certain number of critical spares has increased significantly. Planning and evaluation of critical spares will therefore be an important factor to avoid down-time.

Related parties' transactions is also a risk in terms of the close cooperation between Solstad Offshore and Solstad Maritime on both operational and management level. Related party service agreements are closely monitored to mitigate this risk.

Cyber Security risk

Cyber security risk remains a significant concern and continues to evolve due to geopolitical instability, economic uncertainty, and the increasing sophistication of cyber threats through both AI and traditional methods. The ongoing conflict in Ukraine, tensions in the Red Sea, and heightened geopolitical rivalries have contributed to a growing threat landscape, particularly for maritime operations. Ransomware, supply chain attacks, and state-sponsored cyber activities targeting critical infrastructure, including shipping and logistics, have intensified. Additionally, the increasing digitization of offshore shipping operations, reliance on low orbit satellite communication (Starlink) introduce new vulnerabilities and attack vectors.

Safety and Environmental risks

There are inherent safety and security risks related to operations at sea. As one of Solstad's core values, safety is always top-of-mind for all employees. This is materialized through the Solstad Incident Free Operations (SIFO) program. The Company focuses on evaluation, facilitation, planning and preventive work to avoid all type of personnel related injuries and incidents that have an adverse effect on the environment.

The environmental risks mainly relates to the vessels and includes risks such as oil spillage.

Key performance indicators are monitored, and cause analysis performed with mitigating responses if possible undesired events are identified.

For further information, reference is made to the Sustainability Statement.

Climate and Regulatory risks

The Company's business and results of operations could be adversely affected by climate change and the adoption of new climate change laws, policies, and regulations. Growing concerns about climate change and greenhouse gas emissions have led to the adoption of various regulations and policies, including the Paris Agreement negotiated at the 2015 United Nations Conference on Climate Change (COP 21).

Climate risk is part of the Company's risk universe, and the Company is exposed to a variety of climate risks. These risks vary from regulatory, transitional, market, technology to reputational risk. Short and medium-term climate change issues are not expected to have any significant effect on Solstad's OpEx. Higher fuel price due to CO_2 levies or the cost of green fuels will for the most part be forwarded to the Company's clients. Solstad focuses mainly on reduction of carbon emissions from the fleet and to grow and pursue new business opportunities within the renewable segments. Risks and opportunities are classified as short, medium or long term based on how effects of climate change affect the Company, and required actions consequently planned. The Company's own initiatives to improve energy efficiency and installation of battery hybrid and shore power systems are important steps towards a net zero target in 2050. At the same time, the Company must acknowledge that the targets require access to technology still under development, and extensive investments in both existing vessels and in fleet renewal. A fast decrease in the market demand for the existing type of vessels may pose a risk to Solstad, but as there are very limited newbuilds or other alternatives available globally in the short and medium term, this risk is considered to be limited.

The Company aims to be transparent in its sustainability reporting and work continuously on public ESG communication to ensure that all stakeholders understand that the ongoing transition is under control and to mitigate the risk for any negative publicity and/or liability issues.

For further information, reference is made to the Sustainability Statement.

Interest & Tax risks

The Company is exposed to interest rate and currency risk, primarily through financing and contracts. Interest rate risk is mainly due to long-term debt with floating interest. There is also a risk exposure to new and rapid changes to tax regulations.

Refinancing Risk and Update

Since the restructuring in 2020, Solstad Offshore has communicated that there was a significant refinancing risk related to the Company's secured debt and the residual claim related to the leasing arrangements for Normand Maximus (the "Residual Claim").

The agreement for refinancing of the Company announced on 23 October 2023 between Solstad Shipholding AS, Aker Capital AS, and AMSC ASA (the "Refinancing") was completed on 16 January 2024. This included a deferral of the Residual Claim to 2027.

On 22 November 2024 it was announced that the Company and some of its subsidiaries had entered into two agreements which finally discharge the Residual Claim. The agreements imply a reduction of the Company's net debt by approximately NOK 1 billion. The agreements are estimated to have an annual positive accounting effect of approximately NOK 500 million through reduced interest and depreciation.

The two agreements between the involved parties, means that a satisfactory solution has been reached. The net amounts of approx. USD 102 million that was paid by the Company to the relevant parties under the two agreements, was financed by cash in the Company and a term and revolving credit facility with DNB Bank ASA. The maturity date for the Solstad Offshore ASA Refinancing related to the discharge of the Residual Claim are 19 November 2027 and 21 November 2029 respectively for the term and revolving credit facility with DNB Bank ASA.

The transaction was completed 22 November 2024.

Normand Superior

On 13 June 2024, Normand Superior AS a wholly owned subsidiary of the Company, refinanced and entered into a term loan facility with its new lenders. The new financing was extended to May 2028. However, as a result of the Residual Claim the Normand Superior loan was repaid in full and refinanced under the new credit facility with DNB Bank ASA which also financed the consideration under the agreements related to the Normand Maximus Residual Claim.

Completion of the Solstad Maritime Holding Refinancing

The agreement for refinancing of Solstad Offshore announced on 23 October 2023 between Solstad Shipholding AS, Aker Capital AS, and AMSC ASA (the "Refinancing") was completed on 16 January 2024.

The Refinancing secured new equity of BNOK 4 and refinancing of a majority of Solstad Offshore's outstanding secured debt of about BNOK 11.3, by a new long-term financing of about BNOK 9.5 to Solstad Maritime.

As contemplated by the Refinancing, on 19 June 2024 a MNOK 750 share issue in Solstad Maritime Holding AS towards eligible shareholders in Solstad Offshore was completed.

Following completion of this share issue and by year-end 2024, Solstad Offshore owns 27.3% of Solstad Maritime Holding AS.

There is refinancing risk related to the current financing with the main portion of the debt matures in 2027.

10. Finance - Parent Company

The result for Solstad Offshore ASA in 2024 was MNOK -781 (MNOK 0 in 2023). Net financial result of MNOK -781 (MNOK 0 in 2023). Operating result was of MNOK -1,181 (MNOK 0 in 2023).

The Company's assets are mainly related to the value of shares in subsidiaries. Booked equity at year-end was MNOK 73 (MNOK 849 in 2023). The long term debt at the same date was MNOK 1,123 (MNOK 1 in 2023).

11. Going Concern

The annual accounts are prepared on the assumption of a going concern. The going concern assumption is based on the level of cash and cash equivalents and equity at reporting date, terms and conditions of the Refinancing agreement with banking and borrowing facilities, the forecasted cash flow prognosis for the Company and the backlog position as of 31 December 2024. The main portion of the Solstad Offshore's external debt matures in 2027.

The Company has seen continued strengthening of the market during 2024. Furthermore, with an expected continued positive outlook in the energy market, and the focus on energy transition, the Company also expects an active offshore marked in the coming period. Solstad experienced an increase in expenses due to inflation and increased interest expenses for the Company.

There is no significant uncertainty with respect to going concern.

12. Subsequent events

Investment in Omega Subsea AS

Solstad Offshore ASA announced on 20 December 2024 the intention to acquire 35.8% ownership share in Omega Subsea AS. The transaction was completed on 16 January 2025, settled partly in cash and partly through contribution-in-kind of its current 49.99 percent ownership in Omega Subsea Robotics A, and will be reflected as an investment in associates and accounted for using the equity method in line with IAS 28. The transaction is expected to result in a inor accounting impact.

Solstad Maritime Holding AS announces intention to list

Solstad Maritime Holding AS announced on 22 January 2025 that it intends to apply for a listing of its shares on Euronext Oslo Børs during 2Q 2025. A listing is in line with the Company's previously expressed intention to list within 12 months after completion of its NOK 750 million equity raise in June 2024, and supported by Company's three main shareholders, Aker Capital AS, Solstad Offshore ASA and AMSC ASA.

Solstad Maritime Holding contract awards

CSV Normand Frontier secured a three-year contract award with an international contractor. The firm contract had an immediate startup in 1Q 2025 and will keep the vessel fully committed until end 2027.

CSV Normand Jarstein has been awarded a 135 days firm plus option contract for providing subsea support and services, partnering with Omega Subsea AS. Normand Jarstein will operate in West Africa, with commencement in 1Q 2025.

CSV Normand Australis has been awarded a 200 days firm plus 90 days option contract for a renewable energy project. Normand Australis will operate in Taiwan, with commencement in 1Q 2025.

AHTS Normand Scorpion has been awarded a 78 days firm plus 42 days option contract for providing rig support in Australia. Commencement of the contract is in January 2025.

CSV Normand Subsea has been awarded a two year firm plus three yearly options contract for providing IMR services for Subsea7. The award is an extension of the current contract, resulting in firm work until end-2027.

The vessels Normand Frontier, Normand Jarstein, Normand Australis, Normand Scorpion and Normand Subsea are owned by Solstad Maritime Holding AS, in which Solstad Offshore ASA holds 27.3%.

Presentation Currency

The presentation currency for the Group is intended to be changed from Norwegian Kroner (NOK) to USD effective 1 January 2025.

13. Profit & loss allocation

The Board proposed that the following distribution is made for the parent company:

Transfer from other equity	NOK	-781,405,226
Net applied/transferred	NOK	-781,405,226

Sustainability Statement 2024

General Information

ESRS 2 - General Disclosures

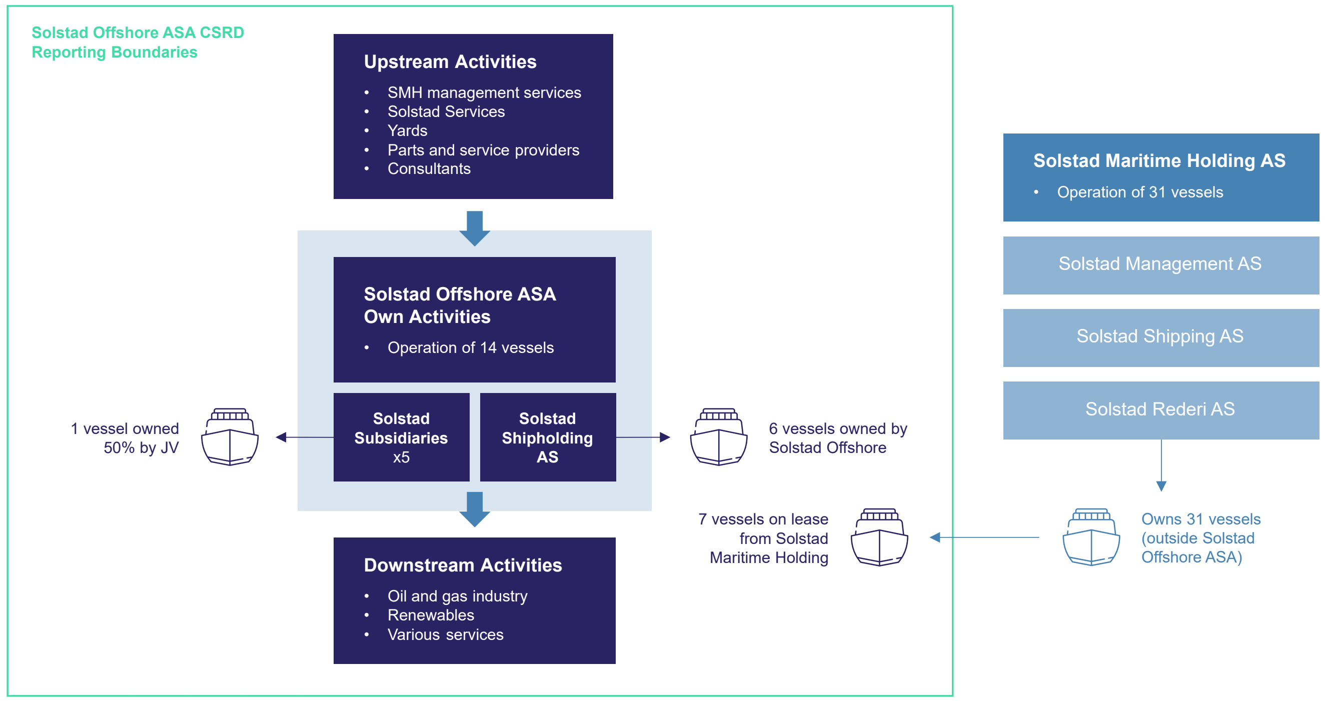


Figure 1

1.1 Basis for Preparation

BP-1 – General Basis for Preparation of Sustainability Statements

This sustainability statement is prepared in accordance with the requirements in the Norwegian Accounting Act and EU's Corporate Sustainable Reporting Directive (CSRD) and the applicable European Sustainability Reporting Standards (ESRS). It is prepared on the same consolidated basis as Solstad Offshore ASA's (SOFF) financial statements, which follows IFRS® Accounting standards as adopted by the EU. For a complete list of companies included in Solstad's consolidated financial statements, please refer to the 2024 Annual Accounts, note 14.

On January 16, 2024, Solstad Offshore ASA deconsolidated Solstad Maritime Holding (SMH), which is reported as an associate from that date. Prior to this date Solstad Maritime Holding (SMH) was part of SOFF and included in the reported figures. Post-deconsolidation, Solstad Maritime Holding is considered part of the value chain, mainly as a supplier of vessels for hire, management services and employees. Vessels leased from Solstad Maritime Holding to SOFF are reported during the lease period. Associates and non-consolidated joint ventures are included in the value chain where relevant.

When the terms "Solstad" or "The company" is used in the sustainability statement this relates to Solstad Offshore ASA (SOFF). Any references to SMH in the report is explicitly described.

The sustainability statement covers both the upstream and downstream value chain. To the extent that material impacts, risks and opportunities (IROs) have been identified in Solstad's up- and downstream value chain, the sustainability statement reflects this.

The upstream value chain boundaries start with the suppliers upstream and extend to the operations of Solstad's clients downstream (not including raw materials or sold client products downstream).

Solstad has not omitted information corresponding to intellectual property, know-how or the results of innovation.

BP-2 – Disclosures in Relation to Specific Circumstances

The time horizons defined in ESRS will be used for reporting purposes, which are short-term (1 year), medium-term (2-5 years), and long-term (more than 5 years). In certain cases, a "very-long term" horizon of 10-year or more is used. This extended horizon applies to ESRS E1, due to the current uncertainty surrounding suitable GHG reduction technologies for offshore vessels globally. By utilising this longer time horizon, we aim to provide a more relevant assessment of our sustainability impacts, risks and opportunities.

For GHG metrics related to our value chain, we acknowledge that some estimates were derived from indirect sources, such as the use of emission factors (ESRS E1). The basis for these estimates includes calculated emission factors from UK DEFRA, IMO, IEA or other internationally recognized bodies, providing an accuracy level for the reported data that is sufficiently high for climate accounting purposes. Most of the company's GHG emissions (across all scopes) result from combustion of engines, where a fixed factor is used to indirectly calculate emissions. This is an internationally recognized method, as direct measurements of emissions are either not possible or impractical with current technology.

Certain quantitative metrics reported carry a higher level of measurement uncertainty. For instance, this applies to the measurement and calculation of scope 1 and 3 GHG emissions. This higher level of measurement uncertainty is due to the unavoidable reliance on third-party data and the complexity of tracking indirect emissions across the value chain. We recognize these uncertainties and continuously review our measurement practices, anticipating that the uncertainty will decrease as more of our value chain actors report detailed and accurate emissions data, enabling us to rely less on estimates.

Compared to previous reporting periods, the notable change in our preparation and presentation of sustainability information is that Solstad now is in the scope of the Corporate Sustainability Reporting Directive (CSRD). We have thus transitioned to reporting in accordance with the European Sustainability Reporting Standards (ESRS). This change in reporting framework allows Solstad to provide a more comprehensive view of our sustainability practices and impacts. Consequently, the disclosures made in this report reflect these new standards, enhancing the relevance and utility of the information presented.

In accordance with applicable ESRS guidelines, Solstad has made use of phase-in provisions for certain eligible disclosures due to having less than 750 FTE in the reporting year. The ESRS topical standards E1, E2, E4, S1, S2 and G1 were assessed as material for the company, and Solstad has used the phase-in provisions for some of the topic standards' respective disclosure requirements for the first year of reporting under CSRD. This applies to E1-6, E1-9, E2-6, E4, S1 (partially) and S2 (partially). Solstad has elected to partially report on some of these disclosure requirements, even if the ESRS topic standard allows for phase-in on all disclosure requirements. Applying the phased-in approach allows the company to gather the necessary information for comprehensive reporting on the topic standards' disclosure requirements in future reporting periods.

For all ESRS's where Solstad have decided to use phase-in provisions there are already in place policies, actions and metrics in the management system for most disclosure requirements and this is incorporated in the business model. However, there are some challenges to generate all the required information and reporting structure for the first reporting year hence phase-in provision has been used for these.

Solstad has identified the following Sustainability matters to be material (see details on policies, actions, metrics and timebound targets in the table 8 page 43 and ESRS 2 SBM-3 page 44 and 45).

1.2 Governance

GOV-1 – The Role of the Administrative, Management and Supervisory Bodies

Composition and Diversity

The Board of Directors of SOFF comprises five members, with a gender distribution of three men (60%) and two women (40%). Currently, the Board does not include other diversity aspects or employee representatives. Of the five members, three are independent (60%). The Audit Committee includes three Board Members. Audit Committee Meetings includes Management representation through the CFO, Sustainability Director and relevant members from the Finance and Accounting departments.

The Board of Directors members have a broad experience from the business sectors Solstad operates in, such as the global energy sector, finance, and international shipping. Additionally, one of the Audit Committee Members have previous experience as the Sustainability Lead in a major shipping company. A summary of the Board Members' relevant experience can be found at Board of Directors of Solstad.

The Executive Management team consists of four members: the CEO, CFO, COO and CCO. All members are men (0% female). There are no non-executive members represented (directors that do not engage in the day-to-day operations of the company).

Roles and Responsibilities

The Board of Directors has the ultimate responsibility for monitoring, assessing, and managing Solstad's strategy, impacts, risks, and opportunities related to sustainability. The Board's Audit Committee oversees sustainability matters and reporting, in addition to financial reporting. During regular meetings, the committee reviews action plans, targets and results related to sustainability, such as Solstad's identified material impacts, risks and opportunities. The Sustainability Director provides updates on these initiatives, ensuring progress in mitigating adverse impacts and risks, and capitalizing on opportunities within relevant sustainability matters, is continuously addressed. Additionally, a Sustainability Committee has been established by the Administration, consisting of both executive and administrative members. This committee and its roles and responsibilities is further described under GOV-2.

The Sustainability Director has the ongoing responsibility for overseeing all sustainability initiatives, ensuring that our organization remains committed to its environmental, governance and social targets. The Sustainability Director reports to the COO, who then reports to the CEO. This structure ensures that progress on sustainability matters is monitored and addressed at the appropriate management level. The Board reviews Solstad's strategy, plan, and status for achieving long-term sustainability goals at least annually.

Solstad integrates governance into its sustainability initiatives across all operations through a comprehensive set of policies and procedures delineating how we address governance issues. These protocols are integral components of our management framework, the Solstad Integrated Management System (SIMS). These policies and procedures, ensure a cohesive workflow, and help us identify and mitigate risks and potential negative impacts swiftly. The system includes information about the company's vision, strategy, risk, policies and processes. It also outlines the Board and Management's roles and responsibilities for overseeing sustainability matters and associated impacts, risks and opportunities.

Developing the Appropriate Skills and Expertise on Sustainability Matters

Developing and maintaining the appropriate skills and expertise on sustainability topics, as well as addressing the company's impacts, risks, and opportunities, is crucial to the Board and Executive Management's ability to oversee Solstad's sustainability matters effectively. To ensure that they have the necessary competency in relevant areas, Solstad uses a company competency matrix that outlines key skills. To fill any competency gaps, and stay updated on new regulations and requirements, a combination of external and internal training is provided throughout the year. This training includes external CSRD courses for managers and key personnel involved in preparing the sustainability statement. Mandatory completion of sustainability-related courses for key personnel is monitored though relevant KPIs. For sustainability-related topics, courses such as ISO14001 and ISO50001 are required for sustainability professionals, thus enhancing internal competency and expertise available to the Board and Executive Management.

Additionally, the Executive Management and Board of Directors can access extensive expertise on sustainability matters through external consultants and auditors, including those from EY, Deloitte, and DNV.

Moreover, Solstad's membership in the Norwegian Shipowners' Association further contributes to the development of sustainability competency. Solstad has

Solstad Integrated Management System (SIMS)

From compliance to optimization; Systematically reach goals and objectives; Using resources where it matters.	Optimizing operations; Resource efficiency and common platform of operations; Focusing on operations.	Effectively ensuring and documenting ongoing compliance; Providing performance data needed.	ISM, ISO, Maritime Management Service; Meeting Company's needs, utilizing common context and systematic.	Ensuring trust & confidence in performance and performance data; Focus: ESG and decarb as examples

Mandatory

- ISM (International Safety Management) Code
- MLC (Maritime Labour Convention) 2006
- ISPS (The International Ship and Port Facility Security) Code
- STCW (International Convention on Standards of Training, Certification and Watchkeeping for Seafarers) Convention

Voluntary

ISO Standards

- 9001 - Quality Management System
- 14001 – Environmental Management System
- 50001 – Energy Management System
- 45001 - Management systems of Occupational Health and Safety
- 27001 – Information Security Management System

participated on the Association's group-board for Offshore Shipping and is active in key sub-committees such as the Sustainability Forum, the Climate and Environmental Committee, and the Operational and Safety Committee.

The company operates in accordance with international regulations and standards and Solstad Integrated Management System is certified to International Safety Management code (IMO ISM), ISO 14001:2015, ISO 9001:2015, ISO 45001:2018, ISO 50001:2018, Maritime Labour Convention (MLC) and International Ship and Port Facility Security (ISPS). The ISM and ISO certifications are verified by DNV on an annual basis. Specifically related to Sustainability matters the ISO 14001 Environmental Management and ISO 50001 Energy Management standards are relevant for the ESRS E-topics. The ISO 45001 covers Occupational health relevant for ESRS S1 and the ISM code includes safety for own employees (ESRS S1) and protection of nature (ESRS E topics).

GOV-2 – Information Provided to and Sustainability Matters Addressed by the Undertaking's Administrative, Management and Supervisory Bodies

Solstad's Sustainability Committee is mandated to discuss sustainability issues, including material impacts, risks and opportunities, and to oversee the implementation of measures to address these issues. The committee comprises the CEO, CFO, COO, Sustainability Director, Communications and Administration Director, and a Sustainability Advisor. They meets quarterly to discuss impacts, risks and opportunities and related policies, actions and targets. Insights and proposed follow-up actions (including updates to the DMA assessment) are presented to the Audit Committee, and, when necessary, the full Board.

This process and a dedicated Sustainability Committee ensures that both the Board and Executive Management are consistently updated on the company's sustainability efforts. Given the diverse representation within the committee, including members from finance and top management, key sustainability impacts, risks and opportunities can be discussed and addressed efficiently.

The Audit Committee has the authority to approve the list of material topics and impacts, risks and opportunities., which is presented for approval annually, after first being reviewed by the Sustainability Committee.

Table 1 shows the Sustainability topics addressed by the Sustainability Committee in the reporting year and their corresponding IRO's.

The Executive management, in collaboration with the Board of Directors, will annually review the company's strategy. The strategy includes impacts, risks and opportunities related to sustainability matters such as Climate Change mitigation. Any significant changes to

Sustainability topic discussed in the sustainability committee	Impact, risk and/or opportunity addressed	Agenda topic	Discussed in meeting
Climate change mitigation	GHG emissions from vessel operations	Solstad Green Operations (operational GHG reduction programme).	Q2, Q4
Climate change mitigation	GHG emissions from vessel operations	GHG Emission targets	Q3
Climate change mitigation	GHG emissions from vessel operations	GHG Emission reduction projects	All meetings.
Climate change mitigation	GHG emissions from vessel operations	GHG Emission reduction investments/cost	Q2
Own workforce	Impact on employee health and safety	Health and safety (Solstad Incident Free Operations)	All meetings.
Own workforce	Impact on employee health and safety	Measures against violence and harassment in the workplace.	Q1, Q2
Workers in the value chain	Impact on human rights and decent working conditions	Transparency Act	Q1
Governance – Anti-corruption	Corruption and business conduct	Anti-corruption course. Incident.	Q1, Q4

Table 1

the strategy or major planned transactions will undergo a company risk evaluation using a high-level risk matrix, considering potential trade-offs between impacts, risks and/or opportunities. Throughout this process, relevant stakeholders, including key suppliers and clients from the value chain, will be consulted to ensure that the new strategy is both realistic and achievable.

GOV-3 - Integration of Sustainability-Related Performance in Incentive Schemes

The company has implemented a performance-based incentive scheme for Key Management personnel, which is detailed in the renumeration report. This scheme aligns with the company's strategic goals and priorities, although it does not currently include specific sustainability-related targets. The Board of Directors reviews and approves the incentive schemes for the Executive Management team on an annual basis.

GOV-4 - Statement on Due Diligence

Annually, the company carries out two due diligence processes encompassing sustainability matters. Firstly, in accordance with the Norwegian Transparency Act, Solstad asses human rights and decent working conditions within its global supply chain and its own operations. This assessment results in a due diligence statement, signed by the CEO and the Chairman of the Board, which is published on the company's website. Secondly, a due diligence process is performed in accordance with the ISO 14001 certification. All identified environmental impacts and relevant new regulations affecting the company's operations are evaluated and documented in Solstad's SIMS management system, with DNV serving as the supervisory body for this process.

The table below outlines where Solstad's application and main aspects of these due diligence process are reflected in the sustainability statement:

Core elements of due diligence	Paragraphs in the sustainability statement
Embedding due diligence in governance, strategy, and business model	ESRS 2 SBM-1
Engaging with affected stakeholders in all key steps of the due diligence	ESRS 2 SBM-2
Identifying and assessing adverse impacts	ESRS E1-2, E1-3, E2-2, S1-1
Taking actions to address those adverse impacts	ESRS E1-3, E2-2, S1-4, S2-4
Tracking the effectiveness of these efforts and communicating	ESRS E1-4, E2-3, S1-5, S2-5

Table 2

High level sustainability risks 2024	Risk owner	Mitigation plan implemented
HSE Statistics possible influence on operations and future contracts	COO	Solstad Incident Free Operations programme (long term zero-incident goal). KPI's set.
Human rights and working conditions	Sustainability Director	Continue to follow up suppliers and other stakeholders with relevant requirements. Annual human rights risk assessment (Norwegian Transparency Act reporting).
Ability to adopt and take market shares in the renewables market	CCO	Dedicated resources in the commercial department to secure short- and long-term contracts in new markets, and the establishment of JV's for this purpose (Windstaller).
Climate risk	Sustainability Director	Continuous focus and work on reducing emissions through operational measures (Solstad Green Operations/KPI), potential upgrade of vessels with new green technologies such as batteries and introducing the use of biofuel.

Table 3

GOV-5 - Risk Management and Internal Controls Over Sustainability Reporting

The responsibility over the Sustainability reporting lies with the Sustainability department. This includes also the DMA process. However the sustainability data comes from a variety of operational systems and departments.

Key Sustainability data reporting such as environmental data is collected and reported by the Sustainability department. Data collection is supported by advanced software systems used on the vessels by the crew and in the offices to ensure high data quality on a daily basis. Other sustainability data such as safety statistics is managed by the HSEQ department on a daily basis and reported monthly. Key systems here are the «HSE» database and the «Daily Report» systems. For HR (S1) related data the onshore HR Administration department and the Crewing department uses «OCS HR» for data handling and reporting. Value chain reporting is primarily done by use of the purchasing system «TM». Governance reporting such as whistle blower data is handled through a dedicated external platform, but by Solstad personnel.

Excel spreadsheets controlled by the Sustainability department is used to consolidate all data and transfer controlled data to the company annual reports. Over the past year we have tried to utilize newly developed CSRD reporting tools, but with limited success, hence we are still in the process to see how we can optimize, improve and reduce risk for errors in the reporting process.

All implemented systems and reporting processes are linked to the Solstad Integrated Management System (SIMS). This is designed to manage and support all requirements within the business including sustainability reporting. It is designed in modules for ease of access and increased functionality, and accessible to all employees both onshore and offshore. SIMS is manged by the HSEQ department, and all documentation is approved by the CEO, with delegation to the HSEQ Director as necessary.

The company's top six policies are signed by the CEO and published on all office and vessel locations worldwide. Each department director is responsible for creating and updating processes or revisions, which are subsequently approved by the HSEQ Director on behalf of the CEO. The objectives of the SIMS platform are:

1. To outline the Companies Policies
2. To outline the Companies Processes
3. To outline all employee's roles and responsibilities in the company based on position in the organization
4. To describe the Companies Organisational Structure
5. To form a robust document control platform in which to manage all necessary documentation, tools and systems for the smooth and efficient management of the SOFF operations
6. To form a database for HSEQ activities where the quality cycle is carried out to ensure all information is on the one integrated platform
7. To enable and promote "best practice" in order to demonstrate operational excellence
8. To ensure compliance to legislative and internationally recognised standards is achieved and monitored
9. To provide a platform to recognize and capture areas for continuous improvement including setting KPI's with goals and targets
10. To strive to achieve deliverables above and beyond the expectations of the standards we have certification

Organisational Principles
SOFF uses a matrix organizational structure to facilitate horizontal operational information flow and knowledge sharing on a daily basis. This allows Management to create functional teams while maintaining cohesive disciplines and departments.

1.3 Strategy

SBM-1 – Strategy, Business Model and Value Chain

Solstad Offshore ASA is a publicly traded company based in Norway, governed by Norwegian laws and regulations. The Company owns, constructs, leases and operates offshore vessels. Its shipping certification is issued by DNV on behalf of the Norwegian Maritime Authority, as well as other local ship certification bodies in regions where local flags are needed, such as Brazil's Maritime Authority and the Isle of Man (UK) flag.

Solstad Offshore in cooperation with Solstad Maritime Holding operates a diversified fleet of high-end offshore vessels primarily for the energy sector. The business model focuses on providing tailored marine solutions and leveraging expertise in offshore operations. Despite the relatively high average age of its vessels, Solstad fleet remains one of the most high-end in the global offshore segment.

The company provides a range of services, including chartering, staffing, and technical maintenance, through its worldwide offices. Solstad Offshore's core activity is to offer high end offshore vessels manned by highly skilled marine crews, delivering a wide array of services to the offshore and renewables industries. Solstad's fleet consists of Construction Service Vessels (CSV) and Anchor Handling Tug Supply vessels (AHTS), with the majority of revenue coming from the Oil & Gas sector. The fleet operating globally, is well-regarded for its considerable role in international offshore operations.

In 2023, the company undertook a strategic sale of its Platform Supply Vessel (PSV) fleet. This move impacted emissions (reduction), number of employees, supply chain, and various key performance indicators (KPIs). On January 16, 2024, the company was split into two entities. The new holding company, Solstad Maritime Holding AS (SMH), acquired the majority of assets (31 vessels) and the bulk of employees (around 1,555), with SOFF retaining a 27% ownership in SMH. Consequently, this sustainability report pertains only to SOFF, which now retains 6 owned and 7 leased vessels employing and around 569 FTE's.

This report's management system and organization references pertain to the joint onshore management team and systems. Metrics and relevant information about fleet operations for the first 16 days of 2024 are included. Since January 17, 2024, there have been no significant changes in the vessel portfolio.

Daily operations of the SOFF fleet of owned and leased vessels, including crewing services, continue to be managed by the Solstad Maritime Holding Holding AS. SMH owns the onshore fleet management system and most of the onshore organisation, excluding Brazil. However, SOFF rents all onshore management services from SMH for its vessels, except for local support in Brazil. The IMO ISM certificate needed to operate its ships is owned by SMH, but used by SOFF to operate vessels.

To expand beyond vessel rental services, a new “Services” business unit was recently established. This unit offers clients a broad array of additional services, including ROV services, tooling rentals, and both onshore and offshore personnel.

Solstad’s employees are hired through the regional offices around the world. For SOFF the offices are in Brazil. SOFF is supported by SMH that have offices in Norway (HQ), Singapore, the Philippines, Australia and UK.

As a global offshore vessel operator in the energy sector, the company primarily operates in the “Mining - Oil & Gas - Upstream & Services (MOU)” and the “Energy - Energy Production & Utilities (EEU)” sectors. The following table provides a breakdown of SOFF’s revenue by these significant sectors.

In the value chain, as identified though the materiality assessment process, the company is related to the “Oil & Gas - Midstream & Downstream (MOM)”, “Machinery & Equipment MME” and “Construction & Engineering CCE” business areas.

The company is involved in various parts of the Oil & Gas offshore sector. The revenue split is as follows on the next page.

The company is not involved in chemicals production, controversial weapons or cultivation and production of tobacco.

Solstad’s headquarters is in Norway, but Brazil currently has the highest activity. The Brazilian market, led by local energy companies like Petrobras, requires high local content in contracts. Most goods and services for Brazil operations come from local suppliers. For global vessel operations, most supplies come from Norway or hubs like Singapore or the Netherlands, except for fuel and fresh food.

Solstad does not source or use raw materials directly in its value chain.

The majority of outflows (such as segregated operational waste) is delivered for recycling whenever possible worldwide. Outflows from vessel recycling, such as steel, copper, and reusable parts, are processed at facilities such as Green Yard in Norway, with steel often sold to Norwegian steel smelters.

Value Chain and Stakeholders
As a global offshore vessel operator, Solstad’s value chain is extensive and multifaceted. In the upstream value chain, the company focuses on sourcing high-quality inputs to deliver specialized marine solutions tailored for the energy sector. Solstad’s own operations are focused on achieving operational excellence through effective vessel management, comprehensive crew training and reliable maintenance services. Downstream activities include the various operations of Solstad’s clients in the oil & gas industry as well as the renewable energy sector, and the end-of-life ship recycling. The figure below illustrates the main contents of Solstad Offshore’s value chain, including the link to material sustainability matters.

To ensure essential input from the various stakeholders and actors in the value chain, management and/or contract meetings are regularly held, typically on an annual basis. The company’s annually prepared “Management Review” document summarises input from these stakeholders and provides metrics, goals and action plans per department. This document is published to all employees during the first quarter every year.

Upstream Activities – Inputs / Suppliers
During the reporting period, the company had about 1,500 suppliers in the upstream value chain. Below is an overview of key stakeholders, their contributions, and the contractual relationships that govern how the company gathers and secures essential inputs.

Outputs from Solstad Offshore’s Business Model and Value Chain
Solstad Offshore’s business model and value chain outputs include the provision of specialized offshore vessels for rent, enabling clients to conduct subsea construction, inspection, and maintenance activities. The company’s vessel management ensures operational efficiency and safety, while crew training enhances skill sets for effective project execution – benefiting internal stakeholders. For investors, the company’s commitment to sustainability and innovation fosters long-term returns. Other stakeholders benefit from Solstad’s commitment

Geographical area (by year-end) - Including hired/temporary personnel	Company	Crew FTE YE	Onshore FTE YE	Total YE
Brazil	SOFF	502	67	569
Total	**SOFF**	**502**	**67**	**569**
Norway	SMH	545	101	646
Singapore	SMH	-	14	14
Philippines	SMH	524	43	567
Australia	SMH	338	9	347
UK	SMH	6	5	11
International	SMH	33	-	33
Total	**SMH**	**1,446**	**172**	**1,618**

Table 4 - Approximate number of employed and hired/temporary personnel engaged in SOFF and SMH operations worldwide (at YE)

Sector	Activities	Revenue (TNOK)	Revenue (%)
Mining - Oil & Gas - Upstream & Services (MOU)	All Oil & Gas activities*	2,462,802	88.25 %
Energy - Energy Production & Utilities (EEU)	Renewable activity	327,912	11.75%
Total		**2,790,715**	**100 %**

**High climate impact sectors” = MOU / Oil & gas related revenue from all SOFF owned/leased vessels including 16d of revenue from these vessels excluding 5 vessels mainly related to renewable work.*

Table 5

Sector	TNOK	%	Taxonomy eligible Yes/No	Taxonomy aligned Yes/No	Taxonomy aligned revenue MNOK	Taxonomy aligned share %
Oil & Gas exploration, extraction and production support services	2,462,802	88%	No	No	-	-
Oil & Gas Decommissioning	253,186	9%	Yes	Yes	253,186	9%
Renewables – Wind turbine construction and cable lay and repair	74,726	3%	Yes	No	-	-
Total	**2,790,714**				**253,186**	

Table 6

Solstad Supply Chain Flowchart

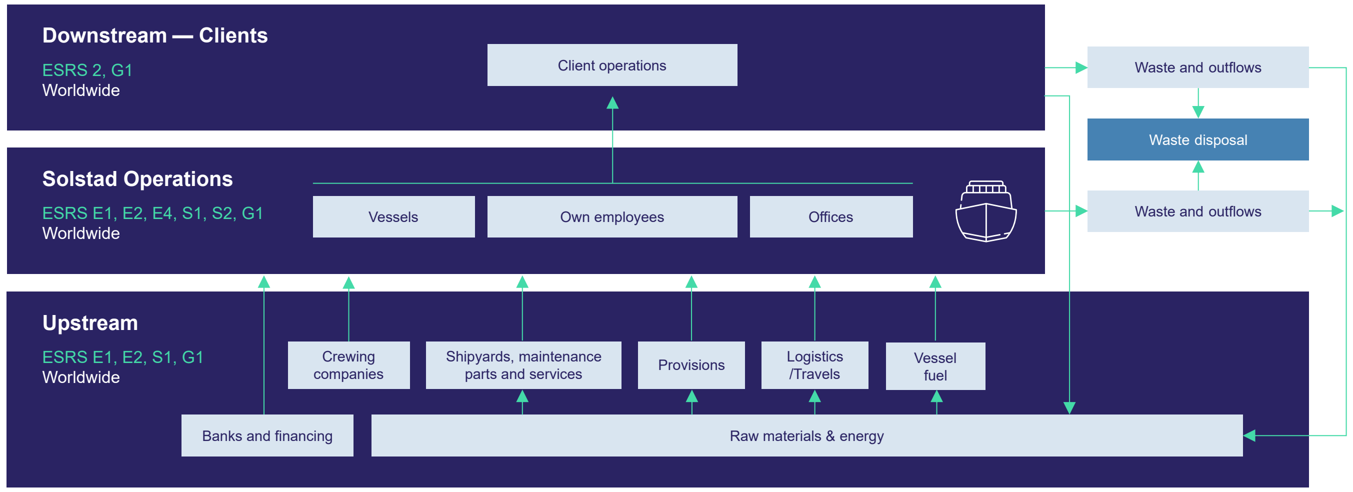


Figure 2

Stakeholder type	Key inputs	Strategic cooperation	Other Agreement	JV established
Fuel suppliers	Fuel – Fossil or renewable	No	No	No
Management services	Services	Yes	Yes	No
Parts and Services	Vessel design, DP systems, propellers and gear, software, other electronics etc and related services	Yes	Yes	No
Parts and Services	Engines, propellers and gear, software, other electronics and related services	Yes	Yes	No
Parts and Services	Engines and related services	Yes	Yes	No
Parts and Services	Engines and related services	Yes	Yes	No
Services	Vessel design services	Yes	Yes	No
Services	Vessel management software, cyber security	Yes	Yes	No
Crewing companies	Crewing - Australia	No	Yes	No
Fuel suppliers	Marine Gas Oil	No	Yes	No
Parts and Services	Logistics	No	Yes	No
Services	ROV services, operators, engineers	Yes	Yes	Yes
Services	Remote operated services	Yes	Yes	Yes
Services	Shipyards	No	Yes	No
Other	A long tail of smaller suppliers			

Table 7

to transparent operations and community engagement, contributing to sustainable development in the regions they operate.

SOFF's clients for the reporting year are located internationally - mainly Brazil, Italy, Sweden and the US. The Company's vessels have predominantly operated in South America (mainly Brazil) and Europe (mainly Norway and the UK).

SBM-2 – Interests and Views of Stakeholders

Key Stakeholders and Engagement

Solstad maintains an overview of the company's Interested Parties (key internal and external stakeholders) in the Solstad Integrated Management System. The stakeholder lists includes the categories of stakeholders, the types of engagement the company maintains with them and the stakeholders' needs and expectations and provide valuable input to the continuous development of Solstad's strategy and refinement of our business model. The lists are subject to continuous review (and at least annually), influenced by the company's strategy and business model, reflecting our understanding of the business context Solstad operates in.

In daily operations, the Integrated Management system ensures that stakeholder interests are effectively addressed, by highlighting relevant stakeholder-associated risks, opportunities and impacts associated with these operations. The Management Review and stakeholder reviews are managed by the Executive Management team with assistance from the respective department directors (HR Director, HSEQ Director etc.). The final report is approved by the CEO and published to all employees.

IRO's in the Value Chain

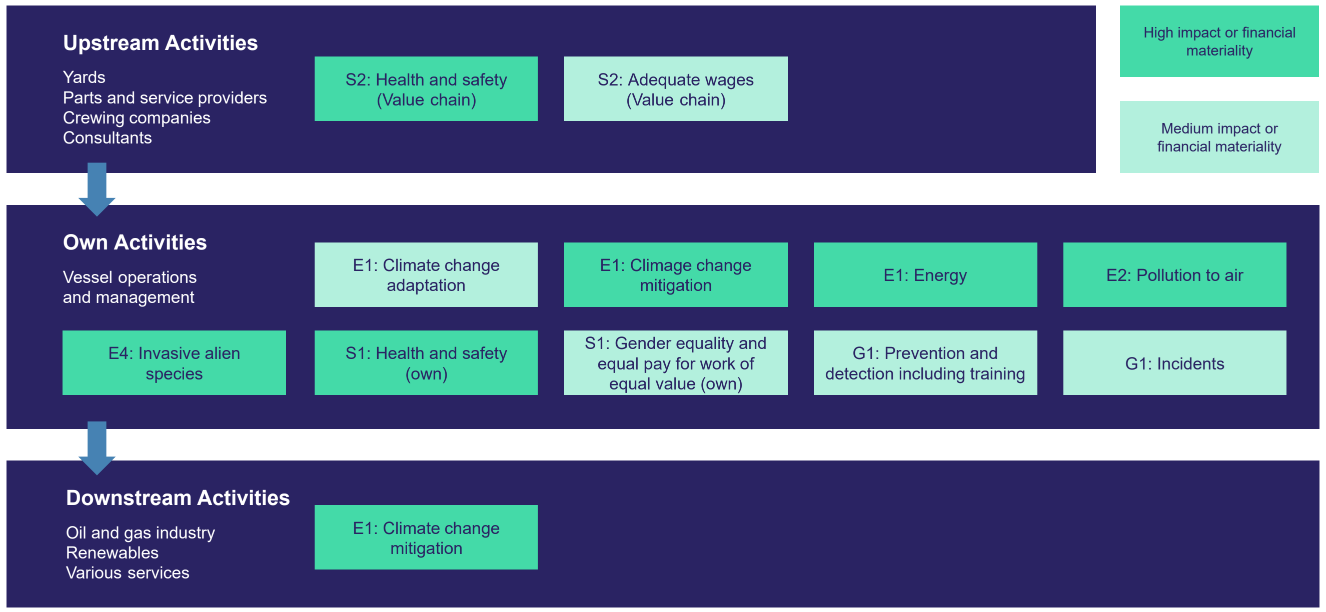


Figure 3

Recognizing and addressing the needs and expectations of our stakeholders is fundamental to the effective execution of our operations. Such acknowledgment is crucial for Solstad to adequately manage risks, ensure compliance and achieve our strategic operations. This approach not only fosters trust and collaboration with stakeholders but also enhances the company's ability to anticipate challenges and capitalize on opportunities.

Listed in the table below, is an overview of the needs, expectations, and concerns of key stakeholders. The needs and interests of stakeholders are identified through various engagement methods, including annual contract reviews and though the double materiality assessment process. While the listed needs and interests highlight the most salient aspects, they are not exhaustive; additional needs and interests may also exist

Solstad's Interested Parties also include silent stakeholders, such as wildlife and nature, which cannot express their needs, expectations and concerns directly; these are often inferred from scientific sources. Solstad's engagement with such stakeholders occurs though proxies, such as non-governmental organizations.

Amendments to Company Strategy Following Stakeholder Engagement
To align operations with stakeholder views, Solstad's Executive Management annually reviews and amends the company strategy. This process is informed by input from various departments (Operations, Commercial, Finance) following the Management Review process, and forms the basis for the Executive team's annual strategy work. The Board is also involved in this strategy formulation.

As part of the CSRD implementation, future strategy work will be aligned with the double materiality assessment to ensure all relevant stakeholder input is considered for potential amendments to the revised strategy and the business model. For example, if stakeholder engagement with employees or value chain workers reveals aspects of the Solstad's business model or strategy that negatively impact their rights or working conditions, the Management Review process will address these issues and implement mitigating measures.

The company's strategic decisions include primarily employing its own staff rather than relying on contracted labour, addressing concerns about poor working conditions in the temp industry and respecting employees and union interests. Employee health and safety are prioritized in the strategy to align with stakeholder interests. Additionally, efforts to increase the proportion of women in the workforce reflect the importance of equal opportunities as expressed by employees. Responding to investor focus on innovation and sustainable business development, the strategy includes expanding vessel rental operations in the renewable energy sector. Furthermore, in line with both investor interests and environmental concerns of various stakeholders, the strategy encompasses installing ballast water treatment systems, advancing the company's Green Operations initiative and introducing new greener technologies and renewable fuels.

Stakeholder Engagement During Double Materiality Assessment (DMA)
Engagement with stakeholders is part of the "day to day" operation and was a vital step of the double materiality assessment. The process began with reviewing "Solstad's Interested Parties" to identify potential affected stakeholders impacted by our activities and business relationships, and representatives were nominated to represent the view of these stakeholders.

Anonymous surveys were tailored and distributed to key internal and external stakeholders. The feedback received was carefully assessed, providing valuable insights for the double materiality assessment. The stakeholder engagement during this process is further described in Disclosure Requirement IRO-1.

Interested party	Interests - needs, expectations and concerns	Type of engagement
Customers/Clients	Solstad's customers have a direct interest in the quality, safety, and reliability of Solstad' s vessels and operations.	• Satisfaction Reporting - Annual surveys distributed to all clients (customers) • Client Communication
Shareholders/ Investors	Solstad's shareholders have a financial interest in our performance (Dividends, short and long-term return and profitability) and therefore have an interest in Solstad's strategic direction, financial results, and risk management practices.	• Annual General Meetings • Stock Exchange Reporting • Annual Financial Statements
Suppliers	Solstad relies on suppliers of various goods and services to support our operations. These suppliers have an interest in Solstad's financial stability and that Solstad acts as a responsible counterparty.	• Regular meetings with important suppliers • Supplier code of conduct/Policies • Supplier audits
Employees - Staff (including labour unions)	Our employees have an interest in Solstad's success and performance, as it impacts their job security and career development. They also have an interest in our health and safety practices, working conditions, opportunities for continual professional development, culture, human rights, decent wages, diversity and equal opportunities.	• General Meetings • 2 yearly Working Environment Survey • Annual Appraisal Talks • Union Official Follow-up
Regulators and government agencies	Solstad operates in a highly regulated industry and is subject to numerous laws and regulations. Regulators and government agencies have an interest in ensuring that our company operates in compliance with these regulations, particularly in regards to health, safety, sustainability, emission reduction and environmental protection.	Engagement with regulators and government agencies is conducted on an as-needed basis.
Non-governmental organizations (NGO's)	New regulations, unions related work, cooperation with other ship owners etc.	Engagement with NGO's such as the Norwegian Shipowner Association is Solstad's most important engagement through committees, forums, working groups and information sharing.
Local communities and society	Solstad's operations can have an impact on the environment and local communities in the areas where they operate. Therefore, these stakeholders have an interest in Solstad's environmental and social responsibility practices.	Sustainability Department Reporting / Annual Sustainability Report
Mortgagees	Agents/Financial institutions/Lenders/banks/bond holders will be affected by default and/or a loss of integrity, and therefore have an interest in Solstad's strategic direction, financial results, and risk management practices	Engagement with mortgagees is conducted on an regular basis.

Table 8

SBM-3 – Material Impacts, Risks and Opportunities and Their Interaction With Strategy and Business Model

Solstad's material IROs have been assessed to be from the topical standards E1 Climate Change, E2 Pollution, E4 Biodiversity, S1 Own Workforce, S2 Workers in the Value Chain and G1 Governance. The table below gives a brief description of Solstad's material impacts risks and opportunities for each topic, as identified though the double materiality assessment. Their interaction to the company's strategy and business model will be described alongside the disclosures connected to each topical standard.

The majority of Solstad's material risks, impacts and opportunities are linked to activities in its own business model. After restructuring and benefiting from market improvement, the company is now well-positioned financially and operationally to implement its strategy, address risks, and capitalize on opportunities.

This report is the first full CSRD report issued by the company so there are consequently no changes to the IRO's this year compared to previous years. Solstad does not have any additional entity-specific disclosures.

Topical ESRS	Topic	Sub-topic	Sub-sub-topic	Impact	Risk	Opportunities	Brief description of IROs	Time Horizons	Where in the value chain
E1	**Climate change**	Climate change adaptation	-	Positive and negative impacts identified	Risk identified	No opportunities identified	Solstad's business model of vessel operations is inherently dependent on fossil fuel. Therefore, climate change mitigation stands out as our most material impact on the environment. Since our vessels are mostly operated by our customers, the day-to-day emissions are for the large part outside of our control. Most of our own energy consumption also stems from the operation of our vessels. There are high risks related to all both topics when it comes to transitional costs and possible reputational loss, but there are also some risks connected to climate change adaption since different geographies will be less able to adapt. This is considered a very long-term risk. There's also a high level of business opportunities for Solstad connected to transitioning to a low-carbon society both on short, medium- and long term.	Long-term	Downstream and own operations
E1	**Climate change**	Climate change mitigation	-	Positive and negative impacts identified	Risk identified	Opportunities identified		Short Term Medium Term Long and very long Term	Downstream and own operations
E1	**Climate change**	Energy	-	Positive and negative impacts identified	Risk identified	Opportunities identified		Short Term Medium Term Long and very long Term	Downstream and own operations
E2	**Pollution**	Pollution of air	-	Positive and negative impacts identified	Risk identified	No opportunities identified	Along with CO_2 (GHG) emissions, the fuel consumption on vessels results in emissions to air of NOx (Nitrogen Oxide) and SOx (Sulphur dioxide). "Pollution to air" is therefore one of Solstad's material impacts. By reducing vessel fuel consumption and consequently GHG emissions the air pollution will be reduced proportionally hence the goal to reduce GHG emissions applies also to air pollution. We've identified a risk of increased taxes on pollutants, but such taxes would result in higher prices on our services. Having assets with pollution reduction technologies installed give some business advantages in certain markets. The main levers are use of low-sulphur fuel, installation and use of catalysators and use of electrical shore-power. Risks and opportunities are considered to be on the medium to long term.	Short Term Medium Term Long and very long Term	Own operations
E4	**Biodiversity and ecosystems**	Direct impact drivers of biodiversity loss	Invasive alien species	Negative impact identified	Risk identified	No opportunities identified	Since Solstad's vessels operate globally, they risk transporting local species in ballast water or areas of the vessels, with potential impacts to ecosystems and biodiversity related to the subtopic "invasive species". There are financial risks connected to this issue if we cause harm due to breaches of international regulations, but we view the probability of such breaches to be very low. The company is following all international regulations on this topic by installing Ballast Water Treatment plants and by implementing approved procedures for ballast water exchange. The risks may be highest on the medium to long-term. No specific opportunities are linked to this sustainability matter.	Short Term Medium Term	Own operations
S1	**Own workforce**	Working Conditions	Health and safety	Negative impact identified	Risk identified	Opportunities identified	The material impacts connected to our own workforce is related to the subtopics "health and safety" and "gender equality and equal pay for work of equal value". There are material risks connected to all these impacts in terms of increased cost connected to turnover, legal actions, insurance premiums, costs of implementing safety measures, but there are also opportunities especially connected to demonstrating a commitment to ensuring the health and safety of workers onboard our vessels including commercial advantages. Solstad has actively worked on this issue for more than 20 years, but this topic will still be valid for all time horizons.	Short Term Medium Term	Own operations
S1	**Own workforce**	Equal treatment and opportunities for all	Gender equality and equal pay for work of equal value	Negative impact identified	Risk identified	Opportunities identified		Short Term Medium Term	Own operations
S2	**Workers in the value chain**	Working Conditions	Adequate wages	Negative impact identified	Risk identified	No opportunities identified	In our business, the most prominent impact when it comes to workers in the value chain is connected to "adequate wages" and "health and safety" of both suppler personnel (especially yard workers) and client personnel onboard our vessels. These impacts have financial risks related to high turnover, disruptions in the supply chain, reputational loss of possible increased costs to remediation. However, there is also opportunities connected to productivity and reputation if we succeed in being in the top segment on these subjects. We believe that responsible wages and a safe working environment in the entire value chain is key to delivering positive results both for Solstad and all our value chain companies.	Short Term Medium Term	Upstream operations
S2	**Workers in the value chain**	Working Conditions	Health and safety	Negative impact identified	Risk identified	No opportunities identified		Short Term Medium Term	Upstream operations
G1	**Business conduct**	Corruption and bribery	Prevention and detection including training	Negative impact identified	Risk identified	No opportunities identified	Building a strong company culture is a long-term process, and Solstad has systematically focused on this for decades. A well-defined corporate culture is fundamental to how employees are treated and thrive within the organization, as well as how business partners are engaged managed, highlighting identified within the topic of business conduct. Solstad fosters its business culture through a clear set of core values, comprehensive e-learning programs for all employees, and other initiatives designed to reinforce business conduct and professional development. Solstad's value chain is exposed to the risk of corruption and bribery, from client and contract management to internal procurement processed and upstream suppliers. Key areas of focus include the whistleblower channel, training, and the implementation of robust policies and procedures to mitigate these risks. The risks are valid on all time-horizons.	Short Term Medium Term Long Term	Own operations, Up- and downstream operations
G1	**Business conduct**	Corruption and bribery	Incidents	Negative impact identified	Risk identified	No opportunities identified		Short Term Medium Term Long Term	Own operations, Up- and downstream operations

Table 9: Solstad's identified material impacts (positive and negative), risks and opportunities

Solstad utilizes the phase-in provisions for ESRS 2 SBM-3 paragraph 48 (e) for the 2024 Sustainability Statement (Omitting the anticipated financial effects).

1.4 Impact, Risk and Opportunity Management
Disclosures on the Materiality Assessment Process

IRO-1 – Description of the Processes to Identify and Assess Material Impacts, Risks And Opportunities

Process Overview

The processes for identifying and assessing material impacts, risks, and opportunities are integral to Solstad's daily operations and are formally embedded within our Integrated Management System especially the annual Management Review process. This internal control system clearly outlines the processes, methodologies, roles, and responsibilities associated with these activities.

Solstad's material impacts, risks and opportunities are also identified and evaluated through a structured double materiality assessment, which considers both how our activities impact people and the planet (materiality assessment) and how people and the planet affect Solstad's business (financial materiality). The double materiality assessment was carried out in five steps and has been guided by the two abovementioned perspectives of materiality:

1. Mapping and initial steps
2. Stakeholder engagement and use of external experts and systems
3. Detailed evaluation and stakeholder validation
4. Prioritization of material matters
5. Monitoring and internal control

1. Mapping and Initial Steps

The double materiality assessment begins with a comprehensive mapping of our activities, business relationships, and affected stakeholders. Following this, a long list of sustainability topics related to Solstad either through our own operations or through Solstad´s business relationships was created. This mapping ensures a clear understanding of the context in which the double materiality assessment is conducted.

Solstad has meticulously mapped, and maintains, an overview of Interested Parties—key internal and external stakeholders whose needs and expectations can significantly influence our organizational sustainability if not adequately addressed. The following stakeholder categories were considered to be most relevant:

- Affected stakeholders: employees/unions, customers, suppliers, local communities and society/nature as a silent stakeholder.
- Users of the sustainability report: customers, suppliers, investors, governments and NGOs.

Solstad's generic product categories used in the analysis were:

- Marine gasoil fuelled ship freight transport services for construction of offshore oil rigs
- Offshore rig moving services
- Marine gasoil fuelled ship freight transport services for construction of offshore wind power plants
- Hybrid engine ship freight transport services for construction of offshore oil rigs
- Hybrid engine ship freight transport services for construction of offshore wind power plants
- Fleet management services for the oil and gas industry

Financial risks and opportunities categories analysed: Revenue, Cost of capital and Operative costs

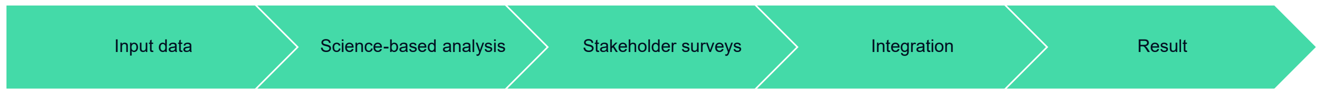
2. Stakeholder Engagement

A critical component of the double materiality assessment is engaging with representatives of potentially affected stakeholder groups through surveys and interviews. This engagement provides essential input for the assessment process. The identification of impacts, risks and opportunities related to our operations and value chain (both upstream and downstream) has been a thorough effort, where stakeholders have been asked through digital surveys to score how they view Solstad's impacts, risks and opportunities according to our thresholds. In addition, meetings have been arranged with key suppliers and clients to exchange relevant input for both parties participating.

To strengthen the double materiality assessment process, a science-based analysis has been used where we have employed the data engine from Upright, a recognized impact data company. This tool integrates input from multiple data sources, including company-specific data points, a wide selection of scientific articles, public databases and stakeholder surveys, to generate preliminary results for the DOUBLE MATERIALITY ASSESSMENT. This "top-down approach" serves as the

Stakeholder	Key method of stakeholder dialogue (according to SIMS processes)	CSRD digital surveys 2024 (# of surveys)	CSRD related meetings related to IRO's 2024
Key clients	Annual meetings (minimum)	Yes (8)	2
Key suppliers	Annual meetings (minimum)	Yes (6)	2
Unions	Annual meetings (minimum)	Yes (12)	
Employees	Annual meetings (minimum)	Yes (32)	
Banks, Investors	Annual meetings (minimum)	Yes (4)	
NGO's / Regulators	Annual meetings (minimum)	Yes (2)	
Local communities	Various initiatives triggered mainly by own employees locally.	No	
Nature	International studies and publications. Dialogue with various organisations (Zero, Bellona, IMPA Save)	No	

Table 10



starting point for our detailed evaluation. Upright's software also provides a methodology to calibrate and prioritize between the different IROs.

3. Detailed Evaluation and Stakeholder Validation

Based on the initial results, the identified impacts, risks and opportunities were further evaluated internally in the CSRD implementation team and compared to relevant industry standards to ensure alignment on critical issues within the shipping sector. Subsequently, sustainability thresholds were set to prioritize the most significant issues, focusing on areas where Solstad can make the most substantial impact. A company-specific calibration ensures that the identified sustainability matters remain pertinent to Solstad's distinct circumstances. The next step involved discussions with the company's auditors to refine the process outcome.

Finally, the IRO's were discussed and agreed upon in the company's Sustainability committee and later presented to the Audit Committee.

The double materiality assessment process will be subject to continuous improvement, adapting to internal and external changes such as regulatory updates, new data, and stakeholder feedback.

4. Prioritization of Material Matters

Material topics were prioritized based on their threshold values and Solstad's internal assessment of their relative importance. The highest priorities were given to sustainability-related risks, following the same principles used for other risk assessments at Solstad.

The materiality level thresholds are based on Uprights' database comprising more than 50,000 companies and their materiality results. Scale, scope, irremediability and likelihood have all been assessed on the basis of levels from 1-3, defined as low, medium and high. Impact materiality is calculated for each of the identified IROs by multiplying the scores given to the scale, scope, irremediability and likelihood of the impact, where minimum impact would be 1 and maximum impact would be 81.

Financial materiality is calculated for each risk and opportunity by multiplying magnitude and probability.

Solstad used its standard risk matrix that includes sustainability-specific consequences to form the basis of initial and residual financial risk values for risk and opportunities. A 5x5 risk matrix is used that defines the financial impacts categorized from A (low=no cost) in steps to E (Very high > USD 1 000 000) outcome/consequences.

Assessment	Impact materiality			Financial materiality		
Score	<37	37-50	>50	<15	15-40	>40
Category	Low	Medium	High	Low	Medium	High

Table 11

Where the materiality score is medium or high, the sustainability matter is considered material. The quantitative thresholds are calibrated annually to determine how sensitively material matters should be triggered to achieve a sensible amount of sustainability matters.

One example of a topic that was prioritized to be more material than the initial scoring indicated was "Corruption and bribery" ("Prevention and detection including training" and "Incidents"). The calculated materiality score was below the medium threshold for both Financial and Impact materiality, but through the company-specific adjustment it was placed in the medium category. Reason being that Corruption and Bribery incidents is both considered high risk and potentially high impact for the company. International shipping and operation in countries high on the public anti-corruption and bribery Index ratings is a generic risk (i.e. Brazil and other countries). It is therefore considered to be one of Solstad's material topics.

The identified impacts and dependencies give rise to both risks and opportunities. The ESRS topic E1 Climate change illustrates this: The company's reliance on fossil fuels to power its vessels results in significant CO_2 emissions, negatively impacting the environment. This dependency creates risks, such as operational challenges in a world transitioning to greener technologies. However, it also presents opportunities for the company to gain a competitive advantage by pioneering the shift to renewable energy. How Solstad handles these challenges will inevitably have an impact on our business, and this acknowledgement has influenced our assessment and prioritization of material matters.

5. Monitoring and Internal Control
The sustainability committee assists management and the Board (via the audit committee) in monitoring the performance and key impacts, risks and opportunities the company faces in relation to sustainability matters. The sustainability committee oversee the processes and systems connected to Solstad's sustainability policies and other corporate requirements on the subject.

The sustainability committee:
- Review sustainability related policies, strategy, budgets and plans.
- Evaluate sustainability risk issues.
- Evaluate and agree on Solstad's double materiality assessment.
- Report status to the Audit Committee and compile annual Sustainability statement.

The company has policies and processes in place to ensure that agreed Sustainability related plans, projects and reports are executed and followed up on a daily basis.

The company made a detailed mapping of operations, geographies, business connections and stakeholders in the process of identifying the company's impacts, risks and opportunities. A representative sample of stakeholders was consulted, providing valiable insights on sustainability issues. Additionally, impact data from scientific sources have been used to provide further context to the assessment.

For a more detailed description of the processes to identify and assess material impacts, risks and opportunities, see the section titled IRO-1 in each standard disclosed in this statement (E1, E2, E4, G1). S1 and S2 does not have ESRS 2 IRO-1 requirements.

Disclosure Requirement IRO-2 – Disclosure Requirements in ESRS Covered by the Undertaking's Sustainability Statement

Through the double materiality assessment process the company has concluded that the following ESRS' are not considered material at this stage:

ESRS E3: Though the company's ships operate in a marine environment, their impact on water and marine resources is considered to be minor. The ships do not use or cause major harm to the water and/or the marine resources in the oceans. Technical and operational measures are already in place to reduce the risk for harmful emissions to the sea.

ESRS E5: The process to recycle ships at the end of their life was first considered to be material. However, as the company has not recycled any vessels in the reporting

Visual Representation of the Material Topics Identified by Solstad

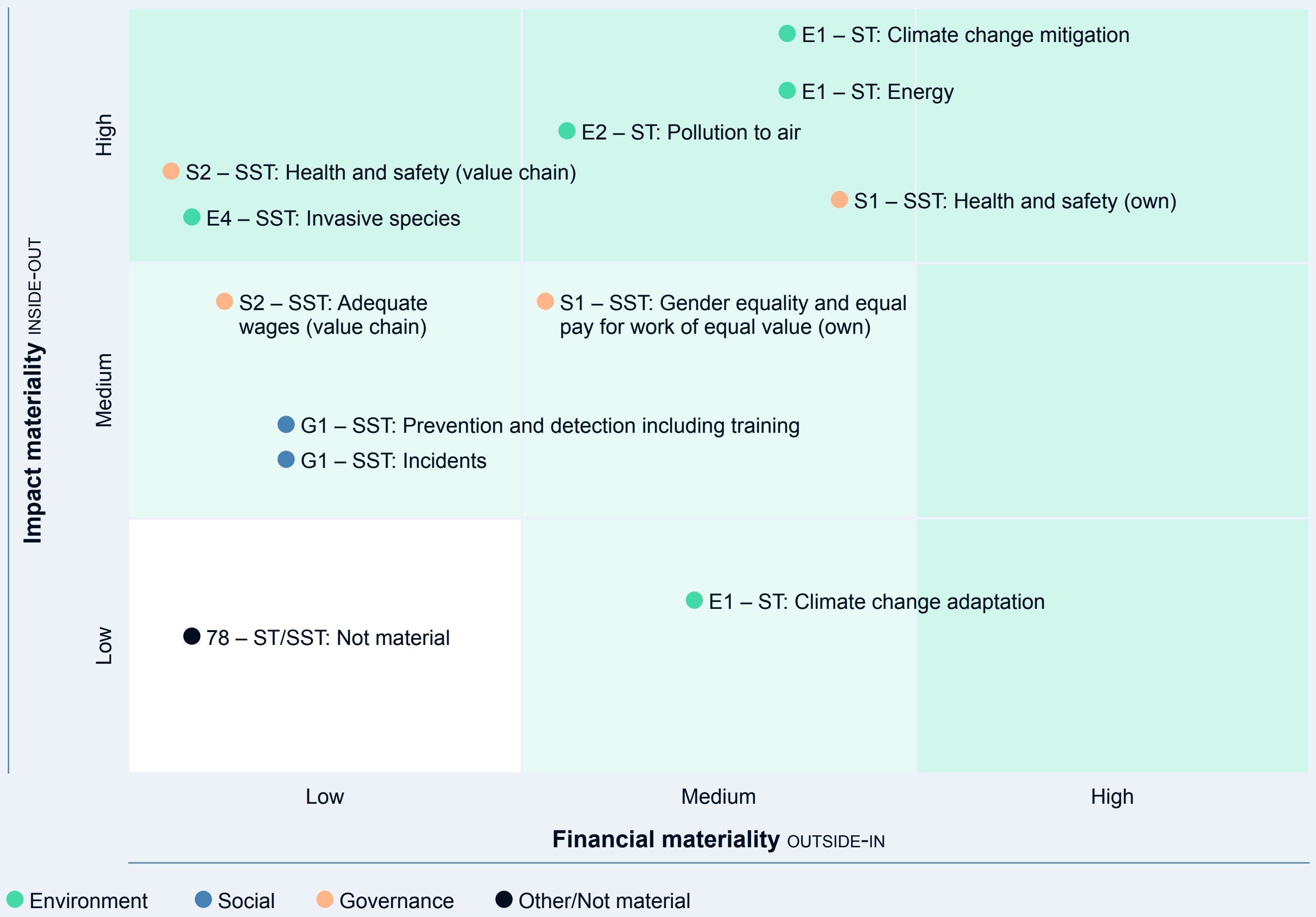


Figure 4 showing the outcome of the double materiality assessment: In this matrix sustainability matters are categorized based on their assessed significance in two dimensions: impact materiality and financial materiality. The sustainability matters are positioned along a scale ranging from non-material (low impact/low financial relevance) to highly material (high impact/high financial relevance), reflecting the concept of double materiality.
ST: Sub-topic   SST: Sub-sub-topic.

period (or have any plans to recycle on the short to medium term) this topics was excluded for this reporting year. This topic might become material in the future.

ESRS S3: The company is involved in supporting local communities in some of the areas where offices are located (i.e. Skudeneshavn, Manila and Rio de Janeiro). However, the impact, risks and opportunities connected to this is considered not material for the company.

ESRS S4: Solstad's consumers and end-users are very important to the company. However, the assessment of IRO's under this topic are currently not considered material for reporting. This is among others because the company has a very low number of clients at any given time (20-30 total word-wide and about 5-10 strategic). Hence, the overall end-client picture is relatively transparent. The company also keep very close cooperation with our key clients, at least on an annual basis (at the executive level).

Determining Material Information to be Disclosed in Relation To IROs
It is our judgement that all the mandatory material disclosure requirements under the relevant topical standards have been addressed in accordance with the principles set out in ESRS 1 section 3-2 Material matters and materiality of information. Thresholds for materiality, as previously described in this chapter, were applied to assess which IROs are material for reporting, thereby guiding which disclosure requirements were applicable under the topical ESRS standards. As explained in the chapter Basis for Preparation–2, phase-in provisions have been applied to certain disclosure requirements in topical standards, to concentrate reporting efforts towards the most pressing sustainability matters in the first year of CSRD reporting, with the goal of gradually improving of the quality of the CSRD report.

Sustainability Statement

Environmental Information

Taxonomy Reporting (Article 8 of EU Regulation 2020/852)

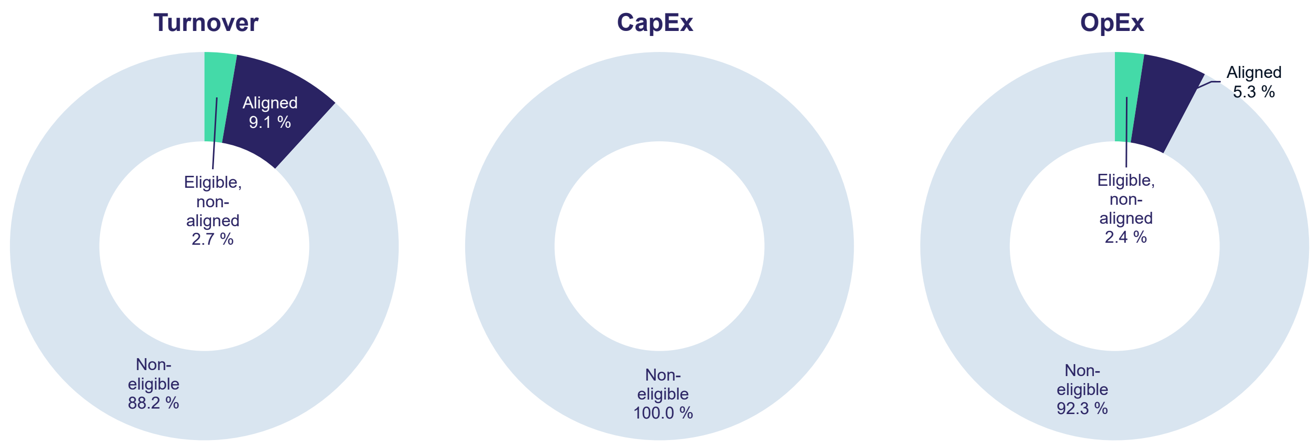
The Taxonomy Regulation is a key component of the European Commission's action plan to redirect capital flows towards a more sustainable economy. It represents an important step towards achieving carbon neutrality by 2050 in line with EU climate goals, because the Taxonomy is a classification system for environmentally sustainable economic activities. In the following section, we as a non-financial parent undertaking present the share of our group turnover, capital expenditure (CapEx) and operating expenditure (OpEx) for the reporting period 2024, which is associated with Taxonomy-aligned economic activity related to the environmental objective Climate Change Mitigation in accordance with Article 8 of the Taxonomy Regulation.

Solstad has reported on the Taxonomy regulation for four consecutive years on eligible and aligned turnover, OpEx and CapEx. The reporting includes mainly these activities:

- 4.3 Supporting building of offshore wind turbines – Renewables business
- 5.5 De-commissioning of Oil & Gas installation (for recycling / nature restoration)

FY 2024	Total (MNOK)	Taxonomy-eligible activities (MNOK)	Taxonomy-aligned activities (MNOK)	Taxonomy-non-eligible activities (MNOK)
Turnover	2 ,790.7	74.7	253.2	2,462.8
Capital Expenditure (CapEx)	379.6	0	0	379.6
Operating Expenditure (OpEx)	184.7	4.5	9.7	170.6

Table 12



Graph 1

Taxonomy-Eligible and Taxonomy-Aligned Economic Activities

SOFF have examined all economic activities carried out by the group to see which of these are eligible and aligned in accordance with Annexes I and II to the Climate Delegated Act. The table below indicates the environmental objective for which the activities qualify as eligible. Information on the extent to which the economic activities (as defined in Annex I to the Climate Delegated Act) are also aligned is provided in the KPI templates below. The templates also provide a clear indication of which environmental objective is pursued by the respective activity.

SOFF's activities primarily contribute to climate change mitigation. With the activities highlighted below, we generate revenue, and we generally incur both CapEx and OpEx for these activities. We describe the economic activities related to individually eligible and aligned CapEx and OpEx in the dedicated sections for the CapEx and OpEx KPI to explain our further investment activities not directly related to our turnover-generating activities.

Economic activity	Solstad activities during the year	Activity description	NACE-Code
4.3 (Eligible)	Work in connection with renewable energy systems (Climate change mitigation)	• Accommodation and construction workers support for bottom fixed wind turbine installation projects (Taiwan and Europe). • Installation of floating wind turbines • Maintenance related work for floating wind turbines (towing and anchor handling) • Inter array subsea cable installation and repair	D35.11 and F42.22
5.5 (Aligned)	Decommission work where the object to be decommissioned is recycled and or the decom process leads to nature restoration.	• Removal of decommissioned Oil & Gas installations delivered onshore for recycling	38.22
Not eligible activities	Oil & Gas related activities	• Oil & Gas subsea construction work • Oil & Gas Anchor handling / Drilling rig activities • Oil & Gas FPSO installation work • Oil & Gas Platform supply services (until Jan 16th) • Oil & Gas removal and decommissions activities. • Offshore Oil & Gas seismic activity (until Jan 16th)	
Not eligible activities	Non Oil & Gas or Renewables related activities	• Intercontinental communication cable installation	

Table 13

Taxonomy-Eligibility
We consider that only vessels operating under the described activities as eligible under activities 4.3 and 5.5. Eligibility does not directly depend on the vessel's emissions technology as a combustion engine are operated as a diesel electric plant according to all international regulations is considered as best available technology for offshore vessels. We consider as Taxonomy-eligible under activity 4.3 Work in connection with renewable energy systems and activity 5.5 Decommission work where the object to be decommissioned is recycled and or the decom process leads to nature restauration or less ocean pollution.

The remaining Solstad activities during the reporting year are not eligible nor aligned as these activities are related to either Oil & Gas related work or infrastructure projects (subsea cable lay).

Solstad has evaluated each of the projects and economic activities done in the reporting year and concluded that these contributes substantially to the environmental objectives set out in Article 9: Climate change mitigation. The activities Solstad do is assisting international construction companies to build offshore wind turbine farms on a safe and environmentally sound way. Construction of offshore wind turbines and infrastructure required for enabling the decarbonisation of energy systems (enabling activity Article 16). Typical activities as accommodations services (including gangway operations), supporting construction of wind turbine units (crane operations), inter-array cable lay (in wind turbine farms), towing and anchoring of floating wind turbines from building site to offshore location (crucial part of the construction phase).

The economic activities related to: The Substantial contribution to the transition to a circular economy related to "Collection and trasport of non-hazardous waste in source segregated fractions". Through these activities Solstad is assisting large international construction companies to remove decommissioned offshore installation on a safe and environmentally sound way to support a circular economy, including waste prevention and recycling. Demolition of offshore oil & gas installation is enabling the process for restoration of biodiversity and ecosystems.

The activities done with Solstad's vessels has greenhouse gas emission levels that correspond to the best performance in the sector or industry (modern diesel electric vessels) and does not hamper the development and deployment of low-carbon alternatives and does not lead to a lock-in of carbon-intensive assets, considering the economic lifetime of those assets.

Assessment of Taxonomy-Alignment

Substantial Contribution
To determine if an economic activity is Taxonomy-aligned, it must first comply with the first requirement as described in the Taxonomy Regulation. It must contribute substantially to one or more of the environmental objectives. All turnover-generating activities (4.3 and 5.5) aim at a substantial contribution to climate change mitigation. The same applied to CapEx that contribute to both objectives. Refer to the CapEx KPI template on page 57 to see the split between those two objectives to avoid double counting. In order to contribute to an environmental objective an activity must meet specific technical screening criteria stated for that activity within the relevant Appendix to the delegated act. We comment on these criteria and how they have been assessed below.

Activity 4.3 is substantially contributing to climate change mitigation to the extent that electricity generated from ocean wind turbine farms when the construction phase is completed have zero direct CO_2 emissions.

Activity 5.5 includes the decommissioning of abandoned oil & gas installations and assist transport to shore for recycling. By removing the old platforms and thereby starting the process of reinstating the nature as it was before this significantly contributes to nature restauration. Additionally, the removed oil & gas installations are dismantled and recycled to new steel and other valuable materials for further re-use supporting a circular economy.

Do no Significant Harm (DNSH)
For all economic activities where we are able to demonstrate a substantial contribution to climate change mitigation and pollution, prevention and control we do a brief analyse of the DNSH criteria assessing the relevant offshore locations and the work done.

DNSH to Climate Change Adaptation
The environmental aspects of both activity 4.3 and 5.5 is included in the Climate scenario assessment done as part of ESRS E1 in this report (se conclusions page 64). This complies with the criteria set out in Climate Delegated Act - Commission Delegated Regulation (EU) 2021/2139 Annex II. The climate change projections and assessment of impacts are based on best practice and available guidance and take into account the state-of-the-art science for vulnerability and risk analysis and related methodologies in line with the most recent Intergovernmental Panel on Climate Change reports, scientific peer-reviewed publications, and open source or paying models. The climate risk assessment was conducted considering both an optimistic and a pessimistic scenario, compared to the current risk. Key conclusions are that Solstad most likely will be limited impacted related to climate change adaptation at least on the short to medium term. On longer term there are more uncertainties identified in the assessment.

DNSH to Sustainable Use and Protection of Water and Marine Resources
For activity 4.3 related to construction of offshore wind farms, there is an alignment criteria that this activity does not hamper the achievement of good environmental practices, as set out in Directive 2008/56/EC. The activities shall not create any environmental degradation risks related to preserving water quality or water stress. This environmental impact assessment has on some projects been done prior to the construction work by our clients (construction companies) to ensure that all relevant elements are assessed, and any negative impact are mitigated. However, as Solstad delivers only a small portion of the total scope these projects and we do not have access to all prior documentation we can presently not document that this has been done hence we report the activities as "Eligible" (not "Aligned").

DNSH to Transition to a Circular Economy
Relevant for Activity 4.3 and 5.5 is Solstad's recycling programme on operational waste that has been in place since 2007 (ISO14001 certified). All operational waste is segregated onboard the vessels and as far as practical possible delivered onshore for recycling (KPIs in place). Separately collected waste fractions are not mixed in waste storage and transfer facilities with other waste or materials with different properties.

The purchase of products to support the vessel operations use guidelines to purchase tools, parts, components etc that has high durability and recyclability and that are easy to dismantle and refurbish in addition to having a low energy use. Separately collected waste fractions are not mixed in waste storage and transfer facilities with other waste or materials with different properties. At end of life the vessels themselves are being dismantled for re-use of usable parts or modules or for material recycling (>97% recycling ratio).

DNSH to Protection and Restoration of Biodiversity and Ecosystems
It is a requirement that for offshore wind (activity 4.3), the activity does not hamper the achievement of good environmental status, as set out in Directive 2008/56/EC, requiring that the appropriate measures are taken to prevent or mitigate impacts in relation to that Directive's Descriptors 1 (biodiversity) and 6 (seabed integrity), laid down in Annex I to that Directive, and as set out in Decision (EU) 2017/848 in relation to the relevant criteria and methodological standards for those descriptors. An environmental impact assessment (EIA) shall be completed before any work commences. This is work normally done by Solstad's clients (for work in EU). However, it has not been possible to provide this documentation at the time of reporting hence this activity is reported "Eligible" but not "Aligned".

To our knowledge these oprations have not been executed in or near biodiversity-sensitive areas (including the Natura 2000 network of protected areas, UNESCO World Heritage sites and Key Biodiversity Areas, as well as other protected areas). Our clients are responsible for these assessments prior to work commences according to international and regional regulations. However Solstad are in the process of implementing a second layer of risk mitigating software tool for our operations through a newly established cooperation with the Norwegian company HUB Ocean.

Minimum Safeguards
The final step to Taxonomy-alignment is compliance with the minimum safeguards. The minimum safeguards include all procedures implemented to ensure that economic activities are carried out in alignment with:
- the OECD Guidelines for Multinational Enterprises (OECD MNE Guidelines)
- the UN Guiding Principles on Business and Human Rights (UNGPs), including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organization on Fundamental Principles and Rights at Work
- the International Bill of Human Rights

The scope of minimum safeguards covers the following four topics:
- human rights (including labour and consumer rights)
- corruption and bribery
- taxation
- fair competition

We follow a two-dimensional assessment approach to assess compliance with minimum safeguards. On the one hand, adequate processes have been implemented to prevent negative impacts (procedural dimension). On the other hand, outcomes are monitored to check whether our processes are effective (outcome dimension). In the shipping and energy industries, we understand that the behaviour of all employees and other actors along our value chain plays a central role in complying with the minimum safeguards. We take our responsibility as a global actor in our sector seriously, by following the ethical business conduct principles for our daily business activities that are manifested in the Group's Code of Conduct which covers, among others, all four topics of the minimum safeguards. Moreover, the Solstad has supported the United Nations Global Compact over many years, and we are committed to integrating the 10 principles of ethical business conduct into our business strategy and operations. SIMS is the overarching organisational tool to assure compliance with legal obligations regarding minimum safeguards and with our Code of Conduct.

Annual training on our Code of Conduct including Anti-corruption and Bribery is mandatory for all employees. With regard to our supply chains and business relationships, we expect the same ethical business conduct as for our own business entities. Therefore, the minimum safeguards requirements are an integral part of our business contracts and our Supplier's Code of Conduct. The Supplier's Code of Conduct aims to promote and enforce practices relating to human rights, ethics, the protection of the environment and safety. We expect each of our suppliers to respect the Group's ethical principles and to ensure that this Code of Conduct is respected by all of their employees and subcontractors. Moreover, our supplier selection and evaluation processes include human rights, anti-corruption and anti-bribery due diligence. In addition to these preventive measures, we have implemented a group-wide grievance mechanism for complaints about detrimental behaviour regarding a variety of ethics, integrity and compliance issues (including the four topics covered by the minimum safeguards). Complaints can be submitted anonymously, by internal as well as external stakeholders, and are treated confidentially and in a timely manner.
We regularly evaluate incoming complaints and assess any necessary adjustments to our procedures. Human rights (including labour and consumer rights) Based on the UNGPs and the OECD MNE Guidelines, including the OECD Due Diligence Guidance for Responsible Business Conduct. Our human rights statement, describing our strategy, the high-impact areas and our processes and measures to prevent negative human rights impacts, is publicly available on our website. Our strategy for combating human rights violations is based on a thorough impact analysis that takes particular account of geographical and sectoral specifications. The impact analysis includes our own business units, subsidiaries and business partners, and our value chain. Human rights impacts were then prioritised, and processes have been adjusted or implemented to tackle the significant risks. Measures to prevent and mitigate actual and potential adverse human rights impacts were identified and implemented. Our processes ensure that remedial action is taken promptly in the event of an acute human rights violation and, if necessary, compensation is provided to affected individuals. The effectiveness of our processes is monitored by internal reviews on a regular basis. Any person who feels that their human rights have been violated by activities of Solstad or an actor of our value chain can contact us through our grievance mechanism. In 2024, no complaints were made related to human rights issues.

Corruption and Bribery
To prevent and fight against corrupt practices, Solstad implemented a corruption prevention programme. Our control mechanisms to prevent corruption and bribery in our business units and value chains are based on a risk assessment, including geographical and sectoral criteria. Anti-corruption is an integral part of our Code of Conduct and our SIMS. Additionally, we have published our anti-corruption policy to our employees as well as suppliers and business partners. Regular training of employees on the anti-corruption rules and on the application of those rules, as well as specific training of employees and other actors identified as specifically exposed to corruption risks, is mandatory. In 2024, no allegations of corruption and bribery were reported.

Taxation
In line with our ethical business values, tax governance and tax compliance are important elements of our oversight, and we are committed to complying with all relevant tax laws and regulations. Therefore, in line with the Solstad's strategy, our tax strategy is transparent, sustainable in the long term and complies with the Code of Conduct. Tax risk management is an essential component of our SIMS and is embedded in our overall company risk management system. Our risk-based tax governance framework is managed by a team of dedicated, qualified tax experts, who work closely with our management. In the financial year 2024, SOFF has not been finally convicted in court for any major violation of tax laws.

Fair Competition
We carry out our activities in a manner consistent with all applicable competition laws and regulations, taking into account the competition laws of all jurisdictions in which our activities might have anti-competitive effects. With our Group's guideline for fair competition and ethical business conduct, we pursue the goal of achieving and maintaining lively competition in a free market environment for Solstad by establishing a corresponding corporate culture.
The company's guideline provides our employees with assistance in preventing, detecting and remedying any competition violations. Raising awareness and conducting training that addresses competition law risks of our business activities are of particular importance to ensure fair competition. In addition, training on the policies for fair competition and ethical business conduct, employees in relevant positions, especially our Senior Management, receive specific fair competition training with assistance in preventing, detecting and remedying any competition violations. In the financial year 2024, Solstad did not have any reported issues on this topic.

Process for Data Collection and Validation
To report information on Taxonomy-aligned economic activities in 2024, we have:
- reviewed Solstad's business activities and identified the activities that could be eligible and aligned
- performed a detailed analysis of the individual Taxonomy-eligible economic activities and the applicable technical screening criteria in close cooperation with key contacts in each country/region and following consultation with technical experts related to the specific activities and criteria
- established additional processes, procedures and tools to enable Solstad to report financial information for each of the eligible and potentially aligned activities that might concern the company
- consulted with external experts and peers to ensure a correct and consistent interpretation of the legal requirements.

The specification of the KPIs is determined in accordance with Annex I to the Disclosures Delegated Act. We determine the Taxonomy-aligned KPIs in accordance with the legal requirements and describe our accounting policy in this regard as follows:

KPI's and Accounting Policy
The key performance indicators ("KPIs") include the turnover KPI, the CapEx KPI and the OpEx KPI. For presenting the Taxonomy KPIs, we use the templates provided in Annex II to the Disclosures Delegated Act. SOFF has reported Taxonomy KPI's since 2021, however 2024 is the first year with full auditor review. The first 3 years of reporting this was voluntary and realizing that the knowledge and competency on this topic has

increased since company reporting started. In addition, the quantitative information required by this regulatory framework is now clearer than the first years hence this year's report contain more details than in the previous reports.

The dedicated template related to natural gas and nuclear energy introduced by the Complementary Delegated Act as regards activities in certain energy sectors is attached at the end of this chapter.

Solstad uses the total turnover linked to the contracts with the aligned activities as basis for the Turnover KPI in this reporting. Any additional services provided to the clients in the reporting is included in the revenue number (not only the vessels day-rate).

Proportion of Turnover from Products of Services Associated with Taxonomy-Aligned or Eligible Economic Activities – Disclosure Covering Year 2024

Financial year 2024	Year			Substantial contribution criteria						DNSH criteria (Does Not Significantly Harm)									
Economic activities (1)	Code (2)	Turnover (3)	Proportion of turnover (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaption (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of Taxonomy-aligned (A.1.) or eligible (A.2.) turnover year 2023 (18)*	Category enabling activity (19)	Category transitional activity (20)
		NOK	%	Y ; N; N/EL	Y ; N; N/EL	Y ; N; N/EL	Y ; N; N/EL	Y ; N; N/EL	Y ; N; N/EL	Y / N	Y / N	Y / N	Y / N	Y / N	Y / N	Y / N	%	E	T
A. TAXONOMY ELIGIBLE ACTIVITIES																			
A.1 Environmentally Sustainable activities (Taxonomy aligned)																			
4.3. Electricity generation from wind power	CCM 4.3	0	0.00 %	Y	N/EL	N/EL	N/EL	N/EL	N/EL	N	N	N	N	N	N	Y	0%		
4.9 Transmission and distribution of electricy	CCM 4.9	0	0.00 %	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N	N	N	N	N	N	Y	0%		
5.5. Collection and transport of non-hazardous waste in source segregated fractions	CCM 5.5	253,185,889	9.07 %	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	4.39 %		
Turnover of environmentally sustainable activities (Taxonomy aligned) (A.1)		253,185,889	9.07 %														4.39%		
Of which enabling			0 %	0 %	0 %	0 %	0 %	0 %	0 %	N	N	N	N	N	N	N	0 %	E	
Of which transitional			0 %	0 %						N	N	N	N	N	N	N	0 %		T
A.2. Taxonomy - Eligible but not environmentaly sustainable activitites (not Taxonomy aligned activitities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
4.3. Electricity generation from wind power		74,726,363	2.68 %	EL	N/EL	N/EL	N/EL	N/EL	N/EL								17.25%		
Turnover of Taxonomy eligible but not environmentally sustainable activities (not Taxonomy-aligned activitites) (A.2)		74,726,363	2.68 %	100 %	0 %	0 %	0 %	0 %	0 %								17.25%		
A. Turnover of Taxonomy eligible activities (A.1+A.2)		327,912,252	11.75 %	100 %	0 %	0 %	0 %	0 %	0 %								21.64%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		2,462,802,290	88.25 %																
TOTAL		2 790 714 542	100.00 %																

Table 14

**) Note: In the KPI's from SOFF 2023 reporting the activities 4.3 and 4.9 was both reported as Eligible and Aligned. These numbers are now reinstated where 4.3 is still Eligible, but not Aligned and 4.9 is not Eligible (nor Aligned) after new new review of Taxonomy requirements. Activity 4.9 for 2023 was reported to 0.45% Aligned. Reinstated as 0% Eligible.*

Proportion of CapEx from Products or Services Associated with Taxonomy-Aligned or Eligible Economic Activities – Disclosure Covering Year 2024

Financial year 2024	Year			Substantial contribution criteria						DNSH criteria (Does Not Significantly Harm)									
Economic activities (1)	Code (2)	CapEx (3)	Proportion of CapEx (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaption (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of Taxonomy-aligned (A.1.) or eligible (A.2.) Capex year 2023 (18)*	Category enabling activity (19)	Category transitional activity (20)
		NOK	%	Y ; N; N/EL	Y ; N; N/EL	Y ; N; N/EL	Y ; N; N/EL	Y ; N; N/EL	Y ; N; N/EL	Y / N	Y / N	Y / N	Y / N	Y / N	Y / N	Y / N	%	E	T
A. TAXONOMY ELIGIBLE ACTIVITIES																			
A.1 Environmentally Sustainable activities (Taxonomy aligned)																			
4.3. Electricity generation from wind power	CCM 4.3	0.00	0.00 %	Y	N/EL	N/EL	N/EL	N/EL	N/EL	N	N	N	N	N	N	Y	0%		
4.9 Transmission and distribution of electricy	CCM 4.9	0.00	0.00 %	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N	N	N	N	N	N	Y	0%		
5.5. Collection and transport of non-hazardous waste in source segregated fractions	CCM 5.5	0.00	0.00 %	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.51%		
CapEx of environmentally sustainable activities (Taxonomy aligned) (A.1)		0.00	0.00 %							Y	Y	Y	Y	Y	Y	Y	0.51%		
Of which enabling			0 %	0 %	0 %					Y	Y	Y	Y	Y	Y	Y	0 %	E	
Of which transitional			0 %	0 %						Y	Y	Y	Y	Y	Y	Y	0 %		T
A.2. Taxonomy - Eligible but not environmentaly sustainable activitites (not Taxonomy aligned activitities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL"										
4.3. Electricity generation from wind power		0.00	0 %	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.10%		
Capex of Taxonomy eligible but not environmentally sustainable activities (not Taxonomy-aligned activitites) (A.2)		0.00	0 %	0 %	0 %	0 %	0 %	0 %	0 %								1.10%		
A. Turnover of Taxonomy eligible activities (A.1+A.2)		0.00	0 %	0 %	0 %	0 %	0 %	0 %	0 %								1.61%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non-eligible activities		379,609,369	100 %																
TOTAL		379 609 369	100 %																

Table 15

**) Note: In the KPI's from SOFF 2023 reporting the activities 4.3 and 4.9 was both reported as Eligible and Aligned. These numbers are now reinstated where 4.3 is still Eligible, but not Aligned and 4.9 is not Eligible (nor Aligned) after new new review of Taxonomy requirements. Activity 4.9 for 2023 was reported to 0.45% Aligned. Reinstated as 0% Eligible.*

Proportion of turnover / Total turnover	**Taxonomy-aligned per objective**	**Taxonomy-eligible per objective**
CCM	9 %	3 %
CCA	0 %	0 %
WTR	0 %	0 %
CE	0 %	0 %
PPC	0 %	0 %
BIO	0 %	0 %

Table 16

Proportion of CapEx / Total CapEx	**Taxonomy-aligned per objective**	**Taxonomy-eligible per objective**
CCM	0 %	0 %
CCA	0 %	0 %
WTR	0 %	0 %
CE	0 %	0 %
PPC	0 %	0 %
BIO	0 %	0 %

Table 17

Proportion of OpEx from Products or Services Associated with Taxonomy-Aligned or Eligible Economic Activities – Disclosure Covering Year 2024

Financial year 2024	Year			Substantial contribution criteria						DNSH criteria (Does Not Significantly Harm)									
Economic activities (1)	Code (2)	OpEx (3)	Proportion of OpEx (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaption (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of Taxonomy-aligned (A.1.) or eligible (A.2.) OpEx year 2023 (18)*	Category enabling activity (19)	Category transistional activity (20)
		NOK	%	Y ; N; N/EL	Y ; N; N/EL	Y ; N; N/EL	Y ; N; N/EL	Y ; N; N/EL	Y ; N; N/EL	Y / N	Y / N	Y / N	Y / N	Y / N	Y / N	Y / N	%	E	T
A. TAXONOMY ELIGIBLE ACTIVITIES																			
A.1 Environmentally Sustainable activities (Taxonomy aligned)																			
4.3. Electricity generation from wind power	CCM 4.3	0.00	0.00 %	Y	N/EL	N/EL	N/EL	N/EL	N/EL	N	N	N	N	N	N	Y	0%		
4.9 Transmission and distribution of electricy	CCM 4.9	0.00	0.00 %	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N	N	N	N	N	N	Y	0%		
5.5. Collection and transport of non-hazardous waste in source segregated fractions	CCM 5.5	9,723,208	5.26 %	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.44%		
OpEx of environmentally sustainable activities (Taxonomy aligned) (A.1)		9,723,208	5.26 %							Y	Y	Y	Y	Y	Y	Y	0.44%		
Of which enabling			0 %	0 %	0 %					Y	Y	Y	Y	Y	Y	Y	0 %	E	
Of which transitional			0 %	0 %						Y	Y	Y	Y	Y	Y	Y	0 %		T
A.2. Taxonomy - Eligible but not environmentaly sustainable activitites (not Taxonomy aligned activitities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
4.3. Electricity generation from wind power		4,481,590	2.43 %	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.05%		
OpEx of Taxonomy eligible but not environmentally sustainable activities (not Taxonomy-aligned activitites) (A.2)		4,481,590	2.43 %	100 %	0 %	0 %	0 %	0 %	0 %								1.05%		
A. Turnover of Taxonomy eligible activities (A.1+A.2)		14,204,798	7.69 %	100 %	0 %	0 %	0 %	0 %	0 %								1.49%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities		170,558,871	92.31 %																
TOTAL		184,763,669	100.00 %																

Table 18

**) Note: In the KPI's from SOFF 2023 reporting the activities 4.3 and 4.9 was both reported as Eligible and Aligned. These numbers are now reinstated where 4.3 is still Eligible, but not Aligned and 4.9 is not Eligible (nor Aligned) after new new review of Taxonomy requirements. Activity 4.9 for 2023 was reported to 0.45% Aligned. Reinstated as 0% Eligible.*

Proportion of OpEx / Total OpEx	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	5 %	2 %
CCA	0 %	0 %
WTR	0 %	0 %
CE	0 %	0 %
PPC	0 %	0 %
BIO	0 %	0 %

Table 19

KPI	2021*	2022*	2023*	2024
Aligned revenue	5%	12%	22%	9%
Aligned CapEx	14%	9%	2%	0%
Aligned OpEx	5%	8%	2%	5%

*Table 20 *)Not audited*

The OpEx reported is mainly related to technical maintenance including parts, service engineers, repairs etc (accounting code groups: 4041-4049 (O and W-codes)). This is the basis for calculating an average annual technical OpEx per day. This is then multiplied by the number of vessel days in the aligned operations. Note that the majority of the OpEx as crew cost and a range of other vessel costs is not included as per EU guidelines.

The aligned CapEx is related to upgrades and purchase of equipment etc needed to execute aligned activities. For example, purchase of gangway systems. All cost to be reported in the FY that the purchase was done. CapEx for dry-docking of vessels working with aligned activities (accounting code groups: 4041-4049 (R and I-codes)). The reported CapEx is calculated using a daily average cost for the specific vessels (periodic maintenance and any investments during the year). The daily average CapEx is multiplied by the number of aligned days in operation (a pro rata calculation).

The turnover and CapEx expenditures can be found in the financial section of the report, note 9.

Since previous reporting period the activities relating to aligned work in connection with “installation of electricity cable sin connection with renewable energy” (article 4.9) has been removed as per auditors instructions for FY2024 reporting as this is not correct activity for Solstad’s operations.

The company does not have a specific Taxonomy CapEx plan. CapEx over a five-year period is estimated in the company long term budgets based on the each vessels maintenance- and class schedules and requirements. All vessels have a minimum of one main maintenance stop every five years and the corresponding CapEx for this work is book at Taxonomy aligned CapEx for the vessels performing the aligned activities in the reporting year (if maintenance have been done this year).

There are no material changes in the CapEx plans in the reporting year.

The company does not have a Taxonomy related CapEx plan as it is challenging to know where the various will work in the coming years and what projects they will be engaged in (and eligible and/or aligned).

The KPI numbers used for turnover, CapEx and OpEx KPI’s are not double counted. The Revenue is related to specific vessels and projects and can easily be separated. The aligned CapEx/OpEx is reported only for the vessels actually doing the aligned work. If a vessel has been doing several aligned activities the CapEx and OpEx is counted only once in the reporting year. Both aligned OpEx and CapEx are calculated using a pro-rata calculation for the actual vessel’s days based on an annual total for each vessel (more details below).

None of the reported aligned economic activities for Solstad contributes to several environmental objectives.

Solstad does not present a disaggregated KPI overview as this may disclose commercial details on the various contracts.

Turnover KPI - Quantitative Breakdown of the Numerator

In the table below, we show a quantitative breakdown of the numerator for the aligned turnover KPI. We list revenue from contracts with customers and other companies, lease revenue, and other sources of income. Over the financial year 2024, no key drivers of change were indicated, since we started Taxonomy reporting in 2021.

Revenue KPI

The Total Revenue has decreased considerably in the reporting period due to the reduction in fleet size following the company split 16 January. Of the 39 vessels operating for SOFF until 16 January, a total of 4 vessels

Quantitative breakdown of turnover numerator	Turnover (TNOK)
Vessel contractual income	153,522
Vessel lease	**99,663**
Total	**253,186**

Table 21

were creating aligned or eligible revenue in the period. However after the split this was reduced to 1 vessel for the remaining part of the reporting year.

OpEx and CapEx numbers are also down for the same reason.

The Taxonomy aligned revenue is not related to internal consumption (all is services provided to external clients).

Solstad has not issued environmentally sustainable bonds or debt securities with the purpose of financing specific Taxonomy-aligned activities.

Turnover KPI
Quantitative breakdown of the numerator
In the table below, we show a quantitative breakdown of the numerator for the aligned turnover KPI. We list revenue from contracts with customers and other companies, lease revenue, and other sources of income. Over the financial year 2024, no key drivers of change were indicated.

CapEx KPI
There were no eligible and/or aligned CapEx in the reporting period Solstad has not set a specific Taxonomy CapEx target or expansion plan over the short, medium-term periods.

There have not been any activities relevant for the Taxonomy related to research, development and innovation.

Solstad has not issued environmentally sustainable bonds or debt securities with the purpose of financing specific identified Taxonomy-aligned activities.

In FY 2024, our Taxonomy-eligible CapEx is associated with activities 4.3 and 5.5.

OpEx KPI
The total OpEx KPI has decreased considerably since previous reporting periods mainly due to the reduction in fleet size following the company split in January 16.

Activity	Additions to Property, Plant, and Equipment PP&E	Internally generated or purchased intangibles	Right-of use assets	Sum	Thereof acquired through business combinations	Thereof part of a CapEx plan
4.3	0	0	0	0	0	0
5.5	0	**0**	**0**	**0**	**0**	**0**
Sum	**0**	**0**	**0**	**0**	**0**	**0**

Table 22

OpEx KPI Quantitative Breakdown of the Numerator
The table below shows the breakdown of the OpEx numerator into its components based on the definition of OpEx in the Disclosures Delegated Act:

Quantitative breakdown of OpEx numerator	OpEx (TNOK)
Technical OpEx	5,424
Maintenance and repair including parts, services, yard work	-
Non-capitalised leases	4,300
Building renovation measures	-
R&D costs	-
Total	**9,723**

Table 23

Item	Nuclear energy related activities	Yes/No
1	The undertaking carries out, funds, or has exposures to research, development, demonstration, and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No
	Use of fossil gas activities	
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	No
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	No

Table 24

ESRS E1 - Climate Change

ESRS 2 IRO-1 – Description of the Processes to Identify and Assess Material Climate-Related Impacts, Risks and Opportunities

In identifying material climate-related impacts, risks and opportunity, Solstad has screened its operations and activities to identify actual and potential sources of GHG emissions. The company's primary activity is vessel rental for offshore energy sector activities, which constitutes the majority of actual and potential GHG emissions, both currently and in the future. The main source of these emissions is the combustion of Marine Gas Oil in the vessels' engines, impacting climate change primarily through downstream activities. Although Solstad is actively working to seek opportunities with customers in the renewable energy sector, the GHG emissions associated with clients in the fossil fuel industry remain a significant climate-related impact, contributing to both physical and transitional risks.

To assess the resilience of Solstad's strategy and business model, the company conducted a Climate Scenario Analysis mid-2024 by use of the publicly available TCFD tools. This assessment leverages climate risk scenarios from the Intergovernmental Panel of Climate Change's 6th Assessment Report (IPCC6, 2021) to assess the extent of physical and transitional climate risk across the company's value chain. The findings from this analysis have been incorporated into the double materiality assessment. The aim of the analysis was to identify and quantify the climate-related risks and opportunities that Solstad faces, and to inform its strategic decisions and actions to enhance its resilience and sustainability.

The analysis considers three time horizons: 2024-2030 (short term), 2031-2050 (medium term) and 2051-2100 (long term). These periods align with the company's fleet lifecycle, with the short term focusing on existing fleet, the medium term on a mix of current vessels and potentially newbuilds, and the long term on entirely new assets replacing the old ones. All new assets built during these periods will need to comply with low-carbon and near climate-neutral standards (utilizing zero/low-emission technology and fuels). It should be noted that operating close to carbon neutral is feasible even in the short-term by using commercially available biofuels such as HVO, which reduce GHG emissions by 94% compared to fossil fuels. This solution is already in use today.

The climate scenario analysis encompassed all parts of the Company's value chain, allowing for a comprehensive scope to identify all material risks. As a vessel operating company, with an evident dependency on fossil fuels, a key assumption in the analysis was that the transition to a low-carbon economy would impact fuel supply and costs. This shift is also expected to influence customer demand, with renewable fuel types becoming more attractive. Additionally, the analysis assumed that technological innovation would play an important role in addressing identified risks. Regarding the level of certainty of the analysis, two primary uncertainties were identified: the pace at which the global market will transition from fossil fuels to more sustainable operations, and how quickly greener fuel alternatives will become commercially viable in the regions where Solstad operates worldwide.

Predicting the transition away from dependence on oil and gas over these periods is complex. Offshore oil and gas is expected to remain a critical energy provider for decades, while the growth of the renewables market relies heavily on global political decisions. Additionally, Solstad operates in other sectors such as infrastructure cable laying and decommissioning, which may expand during these periods. New builds, especially in the medium- and long-term periods, will be adapted to new and sustainable business models supporting a climate-neutral economy.

In its climate-related physical risk analysis, Solstad identified and assessed both chronic and acute climate-related hazards, using two scenarios

SSP5-8.5: A high-emission scenario assuming extensive fossil fuel usage and limited mitigation of greenhouse gas emissions, leading to a global warming of 8.5°C by 2100. Scenario description: Very high GHG emissions: CO_2 emissions triple by 2075.

In assessing climate-related transition risks, Solstad used the SSP1-1.9 scenario by the IPCC6. This is a low-emission scenario assuming rapid and ambitious mitigation of GHG emissions, limiting global warming of 1.9°C by 2100. This scenario envisions CO_2 emissions reaching net zero around 2050.

The types of physical and transitional risks assessed over the short-, medium- and long-term horizons in the scenario analysis are found above.

E1-1 – Transition Plan for Climate Change Mitigation

Solstad aims to be a key player in the energy transition and continuously explore and create business opportunities that align with our commitment to sustainability. As a major player in the offshore energy industry, we recognise the challenges we face as a global society and our role in both creating and solving them. We are aware that the increasing global temperatures and aim to take considerable actions to reduce emissions from our operations. However, at this point the company has not developed a CSRD compliant Transition plan.

Since 2010, Solstad has publicly reported all vessel GHG emissions to maintain transparency. We are committed to a global long-term net-zero target for 2050, aligned with

Scenario name	Climate risk-related scenario type	Shared Socio-economic Pathways (SSP)	SSP Name	Temperature alignment scenario	Representative Concentration Pathway (RCP)	Very likely temperature rise by end of the century	Likely Sea Level Rise	Scenario description	Scenario consequences for Solstad on Impact, risks and opportunties
A	**Physical**	SSP1-1.9	Sustainability (Taking the Green Road)	1.5C	RCP2.6	1.0 – 1.8C	0.28 – 0.55m	Very low GHG emissions: CO_2 emissions cut to net zero around 2050	• No major issues related to severe weather expected for the fleet operations except for some more waiting time from tie to time. Even Solstad ships built in the 2015 to 2025 period can handle these conditions without modifications throughout their lifetime to around 2035 to 2050. • Major supply chain hubs up- and downstream can for the most part operate as before without major interruptions due to weather related incidents (moderate impact)
A	**Transition**	SSP1-1.9	Sustainability (Taking the Green Road)	1.5C	RCP2.6	1.0 – 1.8C	0.28 – 0.55m	Very low GHG emissions: CO_2 emissions cut to net zero around 2050	• Strong maritime GHG regulations comes into action that now also is including offshore vessels. Taxation on GHG emissions such as EU ETS is high. Not allowed to use only fossil fuels in shipping in some regions resulting in high fuel prices for green alternatives (fuel cost and tax/fees are still for the most part forwarded to our clients). • The traditional Oil & gas revenue and business may be gradually reduced over time. • The offshore wind business is strong around the world creating business opportunities for Solstad supplying a range of services to this and other non-O&G businesses such as seabed cable industry. • A range of new types of vessels and services appeares that allows for the use of smaller remote operated and/or autonomous vessels that significantly reduces the GHG emissions and need for people offshore for many operations. • Vessels that cannot operate with close to net zero emissions are not allowed. Oldest vessels are recycled. The newest part of the existing fleet are rebuilt to facilitate new green fuels and technology from about 2025 to 2030 onwards. New builds have new green technologies installed from day one. • Companies that are still mainly associated with the Oil & Gas Industry struggles with the reputation, financing and manning. Exploration for Oil & Gas is limited reducing the need for some of Solstad's vessels. However some of these vessels and the associated human competencies are strongly needed in the floating wind business that have a strong growth in several regions globally throughout the century.
C	**Physical**	SSP2-4.5	Regional rivalry (A Rocky Road)	3.1ºC - 4ºC	RCP4.5	2.1 – 3.5C	0.44 – 0.76m	Intermediate GHG emissions: CO_2 emissions around current levels until 2050, then falling but not reaching net zero by 2100	• Vessel operations may from time to time be impacted by weather, primarily due to increased waiting time. • Existing and new vessel's performance is not considerably negatively impacted due to the weather change as the built in capacities are still sufficient. • Melting ice and regional extreme weather challenges globally may disrupt supply chain upstream or downstream activities delaying projects.
C	**Transition**	SSP2-4.5	"Regional rivalry (A Rocky Road)"	2.1ºC - 3ºC	RCP4.5	2.1 – 3.5C	0.44 – 0.76m	Intermediate GHG emissions: CO_2 emissions around current levels until 2050, then falling but not reaching net zero by 2100	• Severely worsened weather conditions often increase operational time on projects which increase income on these contracts as they take longer time. International regulations on emissions are hardening slowly requiring more and more companies to set targets and curb emissions. • Large variations from region to region how climate related regulations are implemented. The Offshore vessel sector operates in various regions and must adapt or move in/out of various regions and business areas. This can be driven by regulations or potential for income/business for the vessels. • Reputational issues for companies connected to the Oil & Gas industry. • Fuel prices are increasing especially in some regions that have implemented emission taxes. However the majority of the fuel cost is forward to the clients for Solstad. • Investors and banks are starting to strengthen focus on Solstad's and most other companies ESG performance. • The world's supply chains may be negatively impacted due to flooding of infrastructure etc. increasing the general operational cost. • Little drive from the governements/regualtors or clients to upgrade existing vessels to accommodate green/low emissions technologies and fuels."
E	**Physical**	SSP5-8.5	Fossil-Fuelled Development (Taking the Highway)	4.1ºC and above	RCP8.5	3.3 – 5.7C	0.98-1.88 m	Very high GHG emissions: CO_2 emissions triple by 2075	• Vessel operations often impacted by weather, primarily due to increased waiting time. • Existing and new vessels are not negatively impacted due to the weather change as the built in capacities are still sufficient. • Little drive from clients to upgrade existing vessels to accommodate green/low emissions technologies and fuels."
E	**Transition**	SSP5-8.5	Fossil-Fuelled Development (Taking the Highway)	4.1ºC and above	RCP 8.5	3.3 – 5.7C	0.98-1.88 m	Very high GHG emissions: CO_2 emissions triple by 2075	• Severely worsened weather conditions often increase operational time on projects which increase income on these contracts as they take longer time. International regulations on emissions are hardening slowly requiring more and more companies to set targets and curb emissions. • Large variations from region to region how climate related regulations are implemented. The Offshore vessel sector operates in various regions and must adapt or move in/out of various regions and business areas. This can be driven by regulations or changing business area/potential for some of the vessels. • Fuel prices are increasing especially in some regions that have implemented emission taxes. However the majority of the fuel cost is still forwarded to Solstad's clients. • Investors and banks are starting to strengthen focus on Solstad's and most other companies ESG performance. • World supply chains may be negatively impacted due to flooding of infrastructure etc. increasing general operational cost.

Table 25

Physical risks	
Chronic risks	• Temperature related: Changing temperature, Heat stress, Temperature variability, Permafrost thawing, Changing wind patterns. • Water related: Changing precipitation patterns and types, Precipitation or hydrological variability, Ocean acidification, Saline intrusion, Sea level rise, Water stress. • Solid mass related: Coastal erosion, Soil degradation, Soil erosion, Solifluction.
Acute risks	• Temperature related: Heat wave, Cold wave/frost, wildfires. • Wind related: Cyclones, hurricanes, typhoons, storms, tornados. • Water related: Drought, Heavy precipitation, Flood, Glacial Lake outburst. • Solid mass related: Avalanche, Landslide, Subsidence.
Transitional risks	
Policy and legal	Increased pricing of GHG emissions, Enhanced emission reporting obligations, Mandates on and regulation of existing products and services, Mandates on and regulation of existing production processes, Exposure to litigation.
Technology	Substitution of existing products and services with lower emissions options, Unsuccessful investment in new technologies, Cost of transition to lower emissions technology.
Market	Changing customer behaviour, Uncertainty in market signals, Increased cost of raw materials.
Reputation	Shifts in consumer preferences, Stigmatization of sector, Increased stakeholder concern, Negative stakeholder feedback

Table 26

the goal of limiting of global warming to 1.5C. However, we have yet to defined a detailed transition plan for the company. This is because the company is currently in a transitional period, operating 13 vessels (6 owned and 7 on lease from SMH) and a 50% owned JV vessel) out of the previously 39-vessel fleet after January 16 in the reporting year. The reporting below includes 39 vessels for these 16 days and 14 vessels for the remaining part of the reporting year.

The ESRS E1-1 reporting includes key elements of the transition plan requirements such as actions/levers, Taxonomy alignment including relevant Capex, info about EU Paris-aligned Benchmarks omitting detailed specific GHG targets, and a detailed decarbonization plan including allocated OpEx/CapEx and information about locked in GHG emissions.

The cost and timeline for the availability of the technologies and fuels needed to decarbonize the offshore fleet is not yet commercially available or mature enough for implementation. Consequently, creating a detailed transition plan is challenging at this point. However, Solstad is detailing a transition plan for climate change mitigation, estimated to be completed, adopted and approved by the Management by end of 2027. The main work in this process will take place in the second half of 2027.

Solstad has been working on various decarbonisation actions since 2010, with several new initiatives underway. In the detailing of a Transition plan, Solstad has identified key decarbonisation measures expected to be included:

- Operational measures: *Solstad Green Operations®* (SOFF spesific campaign since 2010/operational measures done daily on vessels to reduce emissions)
- Existing technology/retrofit: Battery hybrid and shore power systems
- Drop in bio-fuels on existing and new build vessels: HVO (or FAME)
- Fleet renewal: Adapted to use new low emission technologies and fuels:
  - New technology: Dual fuel internal combustion engines and/or fuel cell technology
  - Future fuels: Green/Blue/Bio Methanol or Ammonia

ESRS 2 SBM-3 – Material Impacts, Risks and Opportunities and Their Interaction With Strategy and Business Model

In the double materiality assessment process, no identified physical climate-related risks were assessed as material. However, the assessment found that Solstad is faced with material transitional risks through changes in the demand and supply of its services, the regulatory and policy environment, the availability and cost of capital, and through altered reputation and stakeholder expectations.

The Main Findings of Solstad's Climate Scenario Analysis on Transitional and Physical Climate Risks

The analysis found that Solstad's assets, operations, and supply chain face low to moderate risks from the potential impacts of climate change, including extreme weather events, sea level rise, ocean acidification, and biodiversity loss. These risks are more pronounced in the SSP5-8.5 scenario, which means Solstad needs to enhance its resilience to cope with the changing climate conditions, and reduce its environmental impact and emissions.

In a high-emission scenario, vessel operations might be frequently affected by weather conditions, primarily due to increased waiting time. This could potentially increase the company's revenue, as their business model is primarily based on Time-Chart contracts. Currently, Solstad experiences limited pressure from clients to upgrade existing vessels to accommodate green technologies and fuels.

The scenario analysis identified several transitional risks and opportunities for Solstad in adapting to stricter environmental standards and a low-carbon economy. The SSP1-1.9 scenario poses the greatest challenges for Solstad's current business model, while the SSP5-8.5 scenario offers the most growth opportunities. Stricter maritime GHG regulations increasingly encompassing offshore vessels, could lead to higher costs for green alternatives, but much of this cost can be passed on to clients. The decline in the oil and gas sector may reduce revenue from those customers, but the global offshore wind industry provides new growth opportunities, such as seabed cable installation services. Emerging technologies like smaller, autonomous vessels offers opportunities to reduce GHG emissions and operational personnel needs.

Moving toward a lower-carbon world require shipping companies to reduce reliance on fossil fuels, which may involve recycling older vessels and retrofitting newer ones for green fuels, depending on capital availability and costs. Lastly, the analysis underscores the potential reputational, financial and staffing challenges for companies tied to oil and gas, which may present risks implications for Solstad – though some of the company's vessels and expertise remain in high demand within emerging renewables sectors.

Overall, the analysis indicate that financial risks to Solstad in the short- to medium-term are low, but long-term consequences are more uncertain and difficult to quantify. Nevertheless, transitional risks are expected to be more significant than physical risks associated with climate change. These findings highlight the need for Solstad to align its strategy, operations, and portfolio with the low-carbon transition and capitalize on emerging opportunities in the renewable energy, carbon capture and storage, and hydrogen-related sectors.

Over the previous decade, Solstad has adjusted its business model to focus on renewable energy, establishing joint ventures with strategic partners to capture a larger share of emerging markets. Examples include the Windstaller joint venture with Aker Solutions and Deep Ocean, and the Remota AS joint venture with Deep Ocean and Østensjø Rederi, which is set to commence operations in 2025 with significantly (>90%) lower emissions impact on some of the lighter offshore service operations.

Financing for this transition will come from the company's annual and five-year operating budgets. No significant operational or capital expenditures are expected in the short and medium term. However, future vessel new buildings may require external financing, with additional cost for low emission technology estimated to increase newbuild cost by 5-15% depending on vessel type, operational area and size.

E1-2 – Policies Related to Climate Change Mitigation and Adaptation

The company has implemented a range of policies and procedures to support its global operations, including Solstad's climate change related impacts, risks and opportunities such as emissions to air and energy use, existing fleet considerations and market risks and opportunities.

All policy and procedure documents are maintained in the Solstad Integrated Management System, audited and certified by DNV according to relevant international standards, particularly ISO 14001 Environmental Management system and ISO 50001 Energy Management. The SIMS system and its policies apply to all Solstad employees, vessels and office locations worldwide, guiding the company's approach to climate-related I impacts, risks, and opportunities throughout the value chain. The policies and procedures governing Solstad's efforts and objectives for climate change mitigation are outlined in the following paragraphs.

The **Company Philosophy, Objectives, and Strategy** document outlines Solstad's overarching goals, including those related climate change mitigation and adaptation.

It states that the company's core business involves providing services to the oil and gas, and renewable energy markets. Solstad shall continuously focus on the environment, aiming to meet targets by allocating adequate resources and necessary information. The document emphasises the objective of minimizing impacts on the environment and utilizing energy efficiently and responsibility. The Company Core Values highlight Solstad's awareness of its environmental footprint and its commitment to measurable improvements through the *Solstad Green Operations*® program.

Solstad's **Sustainability Policy** outlines further delineates strategic objectives for sustainable practices. It declares the company's dedication to conducting business sustainably without compromising future needs. In relation to climate change, it specifically addresses avoiding any kind of unwanted pollutants and enhancing vessels and facility designs and operations to reduce environmental impacts and increase energy efficiency. The policy mandates compliance with, and the aim to exceed, relevant environmental legislation, and promotes the procurement of environmentally friendly and energy efficient products and services. It stresses improvements of sustainability performance though continuous monitoring, analysis of key indicators and open communication with all stakeholders. The Sustainability Policy is governed, and ultimately implemented, by the company's CEO and applied at all organizational levels. It is continuously monitored and revised based on stakeholder input to ensure relevance and effectiveness.

The company's main process for identifying impacts, risks and opportunities on an operational level (involving all departments) and set goals for next year is the Management Review process. This process reviews the company entire operations on an annual basis and outputs a short summary following a thorough evaluation process in all departments. The output document is signed by the CEO and sets the KPI's and goals for the company on an annual basis. This evaluation includes also climate change mitigation, adaption, energy efficiency and renewable energy deployment related topics as well as stakeholder and value chain considerations. Evaluation of need for training is also included. This document is shared with all employees.

The company's strategy is revised on an annual basis and this work includes board level involvement with sets out the overall goals for the company both on mitigation (operations) and adaptation (business). The strategy document is not public.

The SIMS Environmental control processes outlines the company's work on Climate mitigation including day to day follow up of this topic and annual tasks such as revision of the company Environmental assessment and the double materiality assessment.

Specific procedures for addressing climate-related IROs are in place, as exemplified by the Hull Cleaning Procedure. This procedure describes all relevant activities to be carried out in assessing whether hull- and propeller cleaning is to be completed, which will contribute towards climate mitigation through reducing fuel consumption and corresponding emissions, as well as reducing the risk of transferring invasive species between discrete geographical areas. The procedure involves the analysis of the vessel's past fuel performance, pervious hull cleaning initiatives, as well as the post-cleaning fuel performance of the vessel.

E1-3 – Actions and Resources in Relation to Climate Change Policies

The key actions to reduce GHG emissions are described below. All actions apply to Solstad's fleet of owned and leased vessels, ensuring that climate mitigating and adapting measures are implemented in their operations. All vessels are on Time/Chart contract to our customers and under operational control by Solstad's customers, the scope of actions will also extend downstream in the value chain where feasible. The company's key measure to reduce emissions is the Solstad specific *Solstad Green Operations*® (SGO) campaign. Initiated back in 2010 it has since then set the standard and expectations for each vessel crew. It is only related to operational measures that can be done on a daily basis on all vessels, with initial tagline being "We do what we can when possible". By filing a very simple record in the company's environmental management system whenever done, the company can track the number of SGO actions over time on all vessels and around the world. This is an excellent parameter on the crew's attitude and actions towards sustainability-enhancing measures from month to month. A monthly KPI target has been set for each vessel. The SGO campaign does not have any cost associated with it (neither OpEx or CapEx) as this is operational measures such as reducing vessel speed, anchor if possible, or reducing lights in use etc.

The OpEx/CapEx needed for the decarbonization levers are incorporated in the company's annual budgets and long-term (5-years) projections. Any cost is bundled into the normal day-to-day operating cost of the company and linked to specific vessels. Long term investments (upgrades) are normally planned on a 2-year horizon to align with the vessel's 5-year planned Main Class

Key decarbonization levers for Solstad	Solstad Actions implemented/planned	Future/long term
Operational measures	*Solstad Green Operations®* since 2010.	Continue to focus on this. Increase KPI goals.
Existing technology - Shore-power	Typical 1-2% annual fuel reduction per vessel achieved. Installed on 7 SOFF vessels in the fleet prior to Jan 16st. No vessels after Jan 16th.	Install on vessels operating in areas/harbours with onshore capabilities (i.e. Norway). No set plan yet for upgrades coming years.
Existing technology - Battery Hybrid	Battery-hybrid upgrades - Typical 10-12% annual emission reduction per vessel. 10 vessels upgraded since 2017 (one vessel prior to Jan 16th). No vessels after this date.	One SOFF vessel under conversion per Jan 16th (for installation in 2025). Vessel now transferred to SMH.
New technology	Upgrade of electrical propulsion systems to RIM-drive type ongoing.	Evaluate other vessels relevant for this technology based on trial results.
Drop in fuels	Ongoing process to convince clients to use renewable bio-fuels such as HVO with a potential well-to-wake (net certified) emission reduction of about 94%.	Continue to promote and increase use.
Future fuels	Green or Bio-Methanol, Green or Blue Ammonia considered	May be used for new builds in the future. 70-80% GHG reduction possible.
Fleet renewal	Policy that all new vessels shall have a zero/low-emission technology installed from day one.	Newbuilds / future.

Table 27
**) "SINTEF public report – "Alternative fuels for offshore vessels presentation May 2024"*

Renewal work to avoid any extra operational downtime for the upgrades. Upgrade projects may be partly funded by clients, national (Norway) or international (EU) funding arrangements. OpEx for man-hours and another administrative resources needed to execute these measures are included in the company budgets. No significant other OpEx (net cost) is expected related to the measures above in the short to medium term perspective.

CapEx for any future new builds will be allocated on a case-by-case basis – normally together with an end-client where a long-term contract is part of the financing prospect.

Solstad is in the period 2023-2027 involved with the EU funded R&D project NEMOSHIP (New modular Electrical architecture and digital platform to optimise large battery systems on SHIPs) to support the development of new and more efficient marine battery concepts. The project budget is 11,4 MEUR. A total of 11 partners all over Europe is involved in the project, including the Norwegian companies Equinor and Corvus. One of Solstad's vessels will have a hybrid battery system installed for testing purposes during 2025, as one the most important milestones in the project. Solstad's share of the budget is 2,6 MEUR over 4 years. Hybridisation will play an important role on many ship types going forward, hence there is a strong focus from the shipping sector to bring costs down and increase battery efficiency.

The company's climate change-related actions are followed up by the Sustainability department on a daily basis. The implementation of actions is carried out in close cooperation between the Technical, Operations and Commercial departments in order to secure project funding, carry out planning, and execution, and to follow-up on of projects. Several software systems are in use to track performance of vessels in terms of GHG emissions reduction. These systems are available to all relevant personnel, including vessel crew.

New-build projects are executed by the Newbuild and Technology Director department. GHG emission reduction options for new-build projects are always evaluated by these departments in close cooperation with key suppliers and end clients to find the best solution in all projects undertaken.

No additional CapEx or OpEx is expected in the short to medium term periods related to Taxonomy aligned activities except normal class renewal costs and maintenance (booked as CapEx). These costs are already part of the normal day to day operational budgets.

Metrics and Targets

E1-4 – Targets Related to Climate Change Mitigation and Adaptation

The company has at present not set GHG emission reduction targets for the year 2030. The majority of Solstad's GHG emissions stem from vessel operations, and 95% of these emissions occur when the customer has operational control over the vessel. The limited control over the downstream activity contributing the majority of emissions is one reason for why GHG emission reduction targets have not been set. Another contributing factor is related to the changed organizational boundaries of Solstad Offshore. Due to the organizational changes effective January 16, Solstad Offshore has ownership of 6 and leases another 7 out of the 39 vessels in the Solstad fleet (Solstad Offshore and Solstad Maritime Holding). Solstad Offshore is thus in a transitional period, and it has been concluded that the setting of GHG emission reduction targets for Solstad Offshore at current would not be expedient.

There is currently no available sectorial guidance or sector-specific emissions reduction pathways for Solstad to base an emissions reduction plan on. As more than 50% of the company's revenue stems from activities in the oil and gas sector (no income from coal), Solstad is excluded from the EU Paris-aligned Benchmarks and not eligible for the Science Based Target initiative (SBTi) tools.

Thus, in order to track progress on climate change mitigation measures, Solstad tracks the following metrics over time; i) the annual fleet GHG emission, ii) number of SGO actions per vessel per month, iii) share of revenue outside oil & gas, and iv) taxonomy-eligible revenue.

Solstad have tracked and published its vessel emissions since 2010. The annual fleet GHG emissions (scope 1 and 3) have changed from 375.724 tCO_2 in 2010 to 156.703 tCO_2 in 2024 (a 58% reduction mainly due to reduction in fleet size through change of company structure, sale of vesses from about 30 to now about 14, but also due to operational- and technical measures, but offset by a general activity increase).

Solstad has not set specific targets for Taxonomy aligned revenue for future periods. The Taxonomy regulation's definition of OpEx and CapEx KPI's are not suitable for shipping (OpEx includes only technical maintenance cost and CapEx mainly covers planned maintenance cost for vessels executing aligned services in the reporting year). Hence OpEx, CapEx plans are challenging to disclose.

The identified decarbonisation levers as detailed in chapter E1-1 are the measures through which Solstad works towards the net-zero 2050 targets. The top three levers identified to reach the targets are 1) Operational measures, 2) Fuel switching and 3) Fleet-renewal. The following table illustrates Solstad's path towards a 2050 net-zero target through the identified decarbonisation levers, with estimates of the different levers' overall quantitative contributions. Furthermore, the figure below presents Solstad's estimated decarbonisation pathway. However, there is a high degree of uncertainty concerning this pathway, and it should be viewed as an approximation towards decarbonization, and an illustration of the relative potential of the various levers.

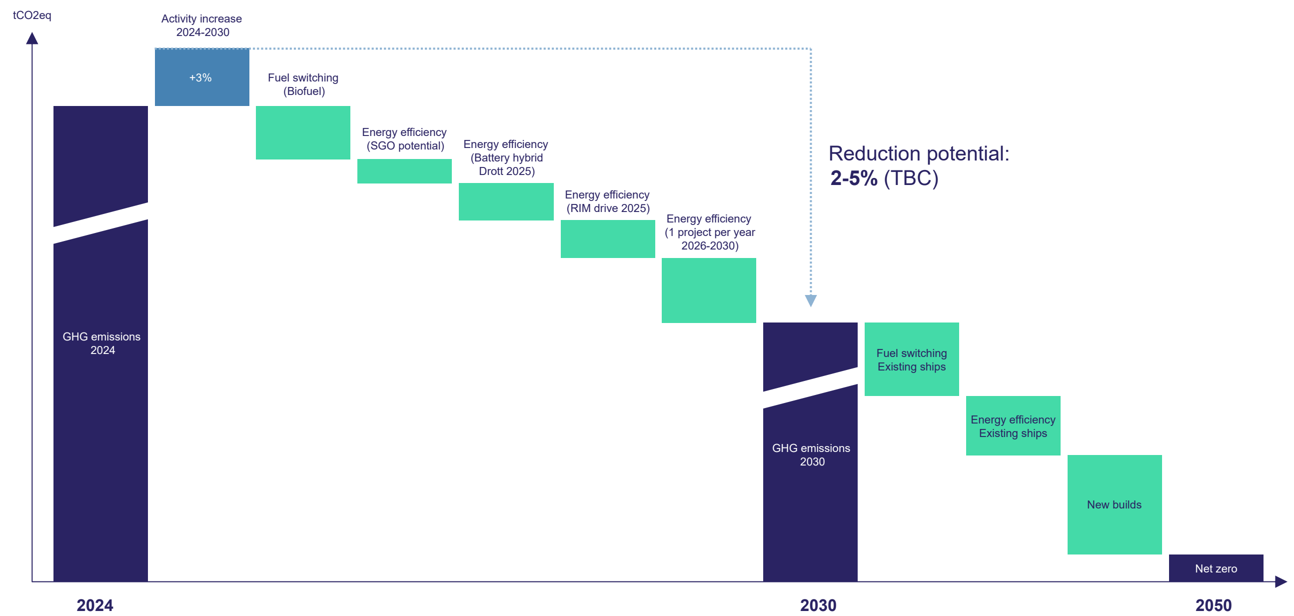
The *Solstad Green Operations®* campaign focuses on operational measures to enhance fuel and energy efficiency, tracked monthly per vessel (SGOs/month/vessel). Since its launch, Solstad has observed an average fuel and emission reduction of about 20%. Although fleet emissions are primarily under customer control during time-charter contracts, where clients cover fuel costs and set operational parameters, through the SCO campaign Solstad actively encourages fuel-saving practices. Solstad's onshore team and offshore crew collaborate with clients to promote lower-emission operations, such as reducing transit speed from 11 knots to 8-9 knots, which can cut fuel consumption by about 20%. Ultimately, however, clients make final decisions, sometimes opting for higher speeds that increase emissions.

Even though operational measures for GHG emissions reduction are the least costly and provides strong results, there is a limit to these. Its reduction potential is probably in the range of 25% over the next 5-10 years (measured against a 2010 baseline).

Fuel switching is another lever identified as key for Solstad's emission reduction efforts. Alternative fuels are emerging, and currently fuel switching is done through introduction biofuel to the fleet, consisting of Hydrotreated Vegetable Oil (HVO). Due to the considerably higher cost with this fuel and uncertainty how our clients will embrace this cost,, the initial goal is to power one vessel with 50% HVO, yielding an estimated 1% emissions reduction in the overall Solstad Companies fleet of 39 vessels annually. As advanced green fuel technologies (biofuels, hydrogen, ammonia or methanol) become more accessible, Solstad expects to see a strong increase in our capacity to cut emissions by cooperation with our clients through newbuild- and/or retrofit projects. This transition may for some vessels

Metric	Type	Actual 2022	Actual 2023	Actual 2024	Target 2030	Target 2050
Share of revenue outside Oil & Gas	%	12%	25%	11%	Not set	Not set
Taxonomy aligned revenue	%	*)	*)	9%	Not set	Not set
Net revenue from activities in high climate impact sectors	TNOK	5,746,765	6,062,875	2,462,802	Not set	Not set

Table 28
**) See accounting note in financial statement.*



Graph 2

incur significant CapEx for vessel upgrades on the long term and OpEx for the purchase of fuels (fuel OpEx is covered by our clients). The exact increased cost for newbuilds is uncertain but estimated at an additional 5-15% per vessel. The future supply of green fuel alternatives is uncertain and expected to come with competition for supply from other sectors, such as road and air transport. This poses a risk of continued reliance on fossil fuels. To address this, the company actively monitors advancements in sustainable technologies to remain competitive and meet long-term emission reduction objectives.

Technical upgrades such as investing in battery-hybrid systems and shore power is the third key lever identified for emissions reduction. Over the medium-term horizon, Solstad plans to carry out at least one major technical upgrade project per year, which is estimated to result in at least 0,5 -1% overall GHG emission reduction every year (over a 5-year period / for the 39 vessel Solstad Companies fleet). Over the previous 10 years the company has invested in vessel shore power connection systems, with a total of 17 systems having been installed in the fleet at a cost of about 1 MNOK per system. However, no new systems were installed in the reporting year. With the high electricity prices observed over the last two years, the operating cost for shore power may currently be higher than that of diesel-fuelled electricity-production onboard when the vessel is in harbour. However, the company still chooses to use electricity whenever available to reduce air pollution in the harbour area.

There have not been any relevant technical upgrade projects for emission reduction in the Solstad fleet of owned and leased vessels in the reporting year, but two projects are planned for 2025 in Solstad Offshore's downstream value chain through Solstad Maritime Holding. One is a battery-hybrid upgrade which also includes a SCR-installation on an AHTS vessel (new battery concept, part of a large EU-funded project) and the second project is the upgrade of propulsions system on a large CSV vessel. Estimated fuel and emission reduction on these projects are 10% and 15% on an annual basis, respectively. The learning effects of applying this new technology is expected to be relevant for Solstad Offshore. The fleet average age is about 15 Years and an upgrade to new green technology might not be financially viable for most of the vessels. However, some of the newest vessels may be upgraded at some point in the future.

E1-5 – Energy Consumption and Mix

As a share of Solstads total annual energy consumption, more than 99% stems from energy produced by the combustion of Marine Gas Oil on the fleet's vessels. Thus, the onshore electricity consumption represents a minimal share of the total energy consumption. Furthermore, as about 95% of the fleet is leased out on Time/Chart contract at a given time, only a minimal share of the fleet's energy consumption falls under the operational control of Solstad. The company's own energy consumption and mix thus primarily consists of scope 1 fuel consumption and scope 2 electricity usage onshore

The table below shows Solstad's energy consumption and mix within the boundaries of scope 1 and 2. The majority (about 88%) of the company's revenue comes from high climate impact sectors such as the international Oil & Gas industry.

The energy intensity is presented in the table below, calculated as total energy consumption per net revenue, associated with activities in these high climate impact sectors.

E1-6 – Gross Scopes 1, 2, 3 and Total GHG Emissions

Solstad has reported on GHG emissions data since 2010, applying reporting methodology that was certified by DNV in 2022. Back then, the reported CO_2 emissions then included only scope 1 and 2, including emissions from the fleet fuel consumption, electricity used in onshore offices, and shore power consumption at our onshore base facility. In 2023, following new guidelines from the Norwegian Shipowners Association, a new reporting practice for the offshore shipping sector became to report on emissions from vessels leased to customers (under Time/charter contract) under scope 3. This is due to the client having operational control over the vessel. This aligns with the operational control approach mandated by the GHG Protocol Corporate Standard. From FY 2024 the calculation of gross scopes 1,2, and 3 and total GHG emissions has been changed to use a Financial approach to comply with ESRS requirements. This represents a significant change in definition of the reporting methodology (for 2023 only). For other GHG categories there have not been significant changes in the methodology. The transfer for vessels from SOFF to SMH January 16 in the reporting year was a significant event that had considerable impact on the GHG reporting.

From 2024 the company use the ESRS GHG reporting guidance that is uses a financial approach method. Vessels owned or leased by the company generating revenue is included in the Scope 1 reporting. Upstream emissions (production and transportation) and emissions form vessels partly owned though JV's is reported in Scope 3.

Energy consumption and mix	Unit	2024
(1) Fuel consumption from coal and coal products	MWh	-
(2) Fuel consumption from crude oil and petroleum products	MWh	578 938
(3) Fuel consumption from natural gas	MWh	-
(4) Fuel consumption from other fossil sources	MWh	-
(5) Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources	MWh	4 253
(6) Total fossil energy consumption (calculated as the sum of lines 1 to 5)	MWh	583 191
Share of fossil sources in total energy consumption	%	99.8 %
(7) Consumption from nuclear soures (MWh)	MWh	5
Share of consumption from nuclear sources in total energy consumption (%)	%	0.001 %
(8) Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.)	MWh	-
(9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	MWh	5 068
(10) The consumption of self-generated non-fuel renewable energy	MWh	-
(11) Total renewable energy consumption(calculated as the sum of lines 8 to 10)	MWh	5 068
Share of renewable sources in total energy consumption	%	0.9 %
Total energy consumption (calculated as the sum of lines 6, and 11)	**MWh**	**589 316**

Table 29

Energy intensity per net revenue	2024
Net revenue from activities in high climate impact sectors used to calculate energy intensity (TNOK)	2,462,802
Net revenue (other)(TNOK)	327,912
Total net revenue (Financial statements) (TNOK)	2,790,715
Total energy consumption from activities in high climate impact sectors (MWh) 1)	520,071
Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors (MWh/NOK)	0.00021

Table 30
**Estimate: 88.25% of total Energy consumption*

For Solstad, emissions related to the use (and upstream production) of marine gas oil in the fleet (scope 1 and 3) represent the highest climate impact, followed by indirect emissions from purchased goods and services and business travels. A spend based analysis has been used to calculate most of the scope 3 emissions, except for fuel related categories, business travels, waste, commuting and GHG emissions from consumed food. Here, data has either been obtained from suppliers, or estimates for emissions have been calculated using internationally recognized emissions factors such as those obtained from UK DEFRA, IMO and IEA. Emissions data is compiled and processed in Solstad's software system. When calculating emissions from fuel combustion, the fuel tonnage consumption registered on the vessels is multiplied by the current internationally recognized emissions factor of low-sulphur Marine Gas Oil (tons MGO fuel x 3,206 tCO_2/ton fuel). The industrial production of fossil fuels such as MGO generates a GHG footprint of 17,7 gCO_2eq/MJ. Solstad includes this in the scope 3 reporting regardless of who has operational control of the vessel.
For Scope 3 Primary data sources are: Fuel, Food, Transport, Waste and Investments (JV). This represents 94% of total Scope 3 emissions. Secondary data sources are: Spend based calculations and employee commuting (6% of Scope 3 emissions).

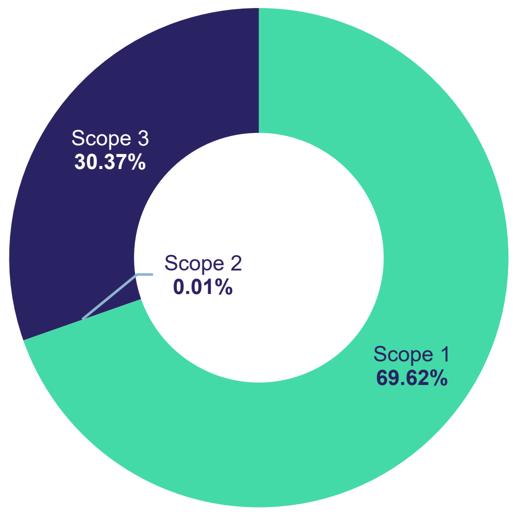
As the majority of the GHG emissions comes from revenue and operations related to the downstream Oil & Gas industry (high climate impact sector), the corresponding high scope 1 and 3 emissions related to vessel operations are covered in the Transition risk analysis. High dependency on this sector in combination with high dependency of fossil based marine gas oil (ship's fuel) from the upstream part of the value chain may pose a long-term risk if not handled over time.

The GHG Intensity is based on revenue found in the financial statement part of this report and the tCO_2eq found in the table on the previous page (total GHG emissions).

			Financial control method (according to ESRS E1)					
					Milestones and target years			
GHG emissions	**Reporting boundaries**	**Unit**	**Base year**	**2024**	**2025**	**2030**	**(2050)**	**Annual % target / Base year**
Scope 1 GHG emissions			(not set)		(not set)	(not set)	Net-zero	(not set)
Gross Scope 1 GHG emissions	SOFF fleet (39 vessel until Jan 16th / 13 vessels from Jan 17th)	tCO_2eq		159,103				
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	Not used	%		-				
Scope 2 GHG emissions			(not set)		(not set)	(not set)	Net-zero	(not set)
Gross location-based Scope 2 GHG emissions	Rio and Macae offices	tCO_2eq		12				
Gross market-based Scope 2 GHG emissions	Not used	tCO_2eq		12				
Significant scope 3 GHG emissions			(not set)		(not set)	(not set)	Net-zero	(not set)
Total Gross indirect (Scope 3) GHG emissions		tCO_2eq		185,462				
1 Purchased goods and services	All goods and services purchased.	tCO_2eq		18,089				
2 Capital goods	N/A	tCO_2eq		-				
3 Fuel and energy-related activities (not included in Scope 1 or Scope 2)	SOFF fleet	tCO_2eq		36,941				
4 Upstream transportation and distribution	SOFF fleet	tCO_2eq		121				
5 Waste generated in operations	SOFF fleet	tCO_2eq		145				
6 Business traveling	Brazillian office/ crew activities	tCO_2eq		504				
7 Employee commuting	Brazillian office/ crew activities	tCO_2eq		56				
8 Upstream leased assets	Nothing to report	tCO_2eq		-				
9 Downstream transportation	Nothing to report	tCO_2eq		-				
10 Processing of sold products	Nothing to report	tCO_2eq		-				
11 Use of sold products	Nothing to report	tCO_2eq		-				
12 End-of-life treatment of sold products	Nothing to report	tCO_2eq		-				
13 Downstream leased assets	Nothing to report	tCO_2eq		-				
14 Franchises	Nothing to report	tCO_2eq		-				
15 Financial investments	*50% of GHG emssions from Normand Installer (JV) *27% of SMH total GHG emissions excluding leased vessels, but including Normand Maximus	tCO_2eq		129,606				
Total GHG emissions (location-based)		**tCO_2eq**		**344,577**				
Total GHG emissions (market-based)		**tCO_2eq**		**344,577**				

Table 31

Greenhouse Gas Emissions (GHG): All Scopes (Market and Location based)

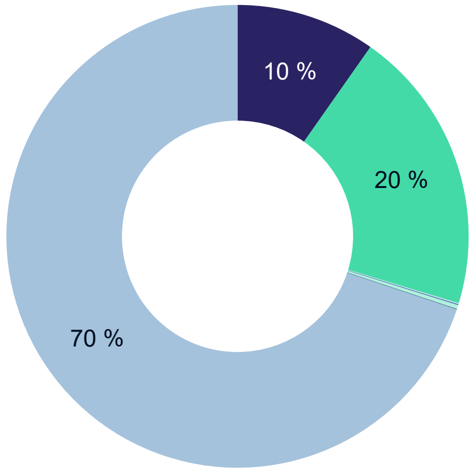


Graph 3

GHG intensity per net revenue	Unit	2024
Total GHG emissions (location-based)	tCO_2eq	344,577
Net revenue used to calculate GHG intensity	TNOK	2,790,715
Total GHG emissions (market-based) per net revenue	tCO_2eq/ NOK	**0.000123**

Table 32

Total Gross Indirect (Scope 3) GHG Emissions (tCO2eq)



- 1 Purchased goods and services: 18,089
- 2 Capital goods: 0
- 3 Fuel and energy-related activities (not included in Scope 1 or Scope 2): 36,941
- 4 Upstream transportation and distribution: 121
- 5 Waste generated in operations: 145
- 6 Business traveling: 504
- 7 Employee commuting: 56
- 8 Upstream leased assets: 0
- 9 Downstream transportation: 0
- 10 Processing of sold products: 0
- 11 Use of sold products: 0
- 12 End-of-life treatment of sold products: 0
- 13 Downstream leased assets: 0
- 14 Franchises: 0
- 15 Financial investments: 129,606

Total: 185,462 tCO2eq

Graph 4

ESRS E2 – Pollution

ESRS 2 IRO-1 – Description of the Processes to Identify and Assess Material Pollution-Related Impacts, Risks and Opportunities

An environmental assessment, part of the company's ISO14001 certification, guides the identification of pollution-related issues, risks, and opportunities. This assessment covers 63 different environmental aspects, considering their impact, consequence, and potential for improvement over the short, medium-, and long-term time horizon. Risk matrices are used to evaluate the financial consequences of the environmental impacts on Solstad. Pollution is a major focus due to the nature of Solstad's operations and the harmful pollutants generated by the fleet's combustion engines. Pollution to air has long been recognized as a particularly material impact in the value chain, and also assessed as most material for this year's sustainability report.

The company's pollution to air from the vessels is generated through the combustion process in the vessel's diesel engines. The main part of harmful emissions from the vessels are, in addition to the GHG CO_2 (reported in E1), the air pollutants NOx (Nitrogen Oxides specifically NO and NO_2) and SOx (Sulphur Oxides specifically SO_2) is generated. These matters relate to poor air quality for people especially in densely populated areas such as cities and harbours as well as acidification of oceans and inland waters. These pollutants do not normally generate acute situations where specific fast actions need to be taken by the company.

Other pollution-related sustainability matters, such as pollution to soil and water were also assessed. The company have operational emissions of pollutants to sea from the vessels such as wastewater and sewage. The screening revealed that Solstad has no significant onshore activities emitting pollutants to soil. Marine vessel operation produce minimal water pollutants, and subject to stringent international and national regulations, deeming it a non-material aspect. Campaigns to limit single-use plastics on vessels address microplastic pollution, reducing the risk of plastics being discarded or releasing microplastics in the ocean. This aspect was also deemed non-material.

While the company's vessels use substances of concern that may lead to pollution, particularly from harmful substances released over time due to ship paint and underwater hull coatings, limited research exists on its significance. Consequently, this topic remains on a 'watchlist', with plans to enhance data collection for future reassessment.

Throughout the double materiality assessment process and the ISO14001 environmental assessment, Solstad engages with relevant stakeholders and affected communities, including employees and customers. For pollution at sea, the crew is the primarily "affected community", but consultations with international and local regulators, mainly through the Norwegian Ship Owners Association (NSA), provide insights from broader communities impacted by global and local atmospheric pollutants. Solstad actively participates in the NSA's Environmental and Climate committee, engaging with national, EU and international regulators.

E2-1 – Policies Related to Pollution

Solstad's Sustainability Policy outlines all strategic overarching objectives relating to the company's sustainability efforts. It states that the goal is zero oil spill incidents to sea, and includes a statement on avoiding any kind of unwanted pollutants and discharges. Furthermore, it states that Solstad supports the procurement of environmentally friendly and energy-efficient products and services that impact sustainability performance. The Sustainability Policy is published at places easily available onboard the vessels as well as in all office locations. They are also part of the employee induction- and training programs.

The Sustainability Policy is supported by the company's processes for handling the impacts, risks and opportunities linked to pollution, and includes operational procedures such as Voyage planning, Maintenance processes (according to the IMO NOx Technical Code), Environmental reporting tools (vessel and onshore), Annual review process for evaluation and setting new KPI's and targets (Management review process), as well as monthly reporting and other KPI follow up work. Furthermore, a range of processes are in place to ensure proper handling of unwanted oil spill incidents to sea. These are vessel specific and dedicated equipment is in place on the vessels to ensure that the crew may initiate first line measures if oil spill occurs. Crew training on this work is mandatory on all vessels. Agreement with international insurance company is in place to provide swift assistance worldwide if needed.

E2-2 – Actions and Resources Related to Pollution

More than 95% of the pollution to air associated with Solstad occurs when our clients have operational control over the vessels, resulting in very limited direct emissions of pollutants by Solstad. Regardless of who has operational control over the vessels, the key actions for Solstad to address and mitigate pollution to air are shown in the table above.

All these measures have been carried out in the reporting year by all or some of the vessels, except for the installation of battery-hybrid and SCR plants, as there were no candidate vessels available for retrofitting during the year. Retrofit projects needs to fit within the planned five-year Main Class Renewal projects and the vessel must operate in an area where these technical measures are required.

Resources Related to Pollution-Mitigating Actions

The first two key actions outlined above do not require any additional OpEx/CapEx, but the installation of SCR plants, shore power and battery-hybrid does. SCR plants are for the most part only available to be installed when the vessels are being constructed, and the typical installation cost is 10-20 MNOK. The operational cost of using Urea at the SCR plant is about NOK 4-5 per litre or around NOK 100 000 per vessel a year when actively used. Most of this cost is forwarded to the end client, which leaves the company with a limited net cost for this measure.

The use of renewable (and RED II certified) biofuel such as HVO (Hydrotreated Vegetable Oil) incurs a cost that typically is 50-100% higher than that of standard ship fuel. Most of this cost is forwarded to our clients (100% when the vessels are on contract). There has been no cost for this during the reporting year for SOFF, but this may generate cost in the coming years.

	Description of actions and anticipated effects	Application
Reduction of fuel consumption	Through various operational measures, reduced fuel consumption typically results in a 1-20% reduction of emitted NOx and SOx.	Fuel reduction measures apply to all vessels and is prescribed in *Solstad Green Operations®* campaign. This applies to all Solstad vessels (since 2010).
Use of low-sulphur fuels	The company does not use heavy fuel oil or high sulphur content fuels; hence the SOx emissions are relatively low as all fuel used by the company is low-sulphur Marine Gas Oil. This is regulated internationally by IMO and national regulators. The maximum sulphur limit on fuels in use by the company is 0,5% globally and maximum 0,1% in EU and other areaswith local stricter regulations (by weight).	This applies to all Solstad vessels.
Use of renewable biofuels	As part of the Solstad revised strategy (2024) on emission reduction, the use of Hydrotreated Vegetable Oil (HVO) is introduced as a drop-in fuel for the existing fleet. HVO gives slightly reduced NOx emissions (specific value not available) and reduces SOx emissions by upwards of 70%, due to the extremely low sulphur content (<0,03%).	In the reporting year no HVO was used by SOFF.
Use of NOx scrubbers	The use of Selective Catalyst Reducer (SCR) plants results in approximately 90% reduction of NOx emissions when in use. Since 2005, Solstad Offshore has installed SCR scrubbers on newly constructed vessels.	SCR scrubbers are currently installed on 2 vessels in the SOFF fleet of 14 vessels. Usually this applies only to operations out of Norway, as the urea fluid is not readily available elsewhere in the world. Following the sale of vessels January 16 there have been very limited use of SCR's in the remaining SOFF fleet.
Use of shore electrical power	Results in 100% reduction of NOx and SOx when in use, as all engines are stopped. This is therefore the most effective air pollution reduction lever. However, shore power is presently only available in some harbours in Norway.	Shore power connection systems are installed on on 8 vessels on the combined SOFF/SMG fleet (zero in the SOFF fleet after Jan 16th). Following the transfer of vessels Jan 16th there have been very limited use of shore power for SOFF vessels during this reporting period.
Battery hybrid conversion	Installation of battery-hybrid systems which is estimated to result in about 10% reduction in NOx and SOx.	Since 2017 10 vessels have been convert by Solstad Offshore, however all but one vessel has now been sold. This last vessel with battery hybrid installed was transferred from SOFF to SMH January 16 in the reporting year.

Table 33

Over the previous 10 years the company has invested in vessel shore power connection systems. A total of 17 systems have been installed in the fleet at a cost of about 1 MNOK per system (no new systems installed in the reporting year (9 of these have later been sold or transferred to SMH). With the high electricity prices observed over the last two years, the operating cost for shore power may currently be higher than that of diesel-fuelled electricity-production onboard when the vessel is in harbour. However, the company still chooses to use electricity whenever available to reduce air pollution in the harbour area.

There have not been any relevant technical upgrade projects for emission reduction in the Solstad fleet of owned and leased vessels in the reporting year, but two projects are planned for 2025 in Solstad Offshore's downstream value chain through Solstad Maritime Holding. One is a battery-hybrid upgrade which also includes a SCR-installation on an AHTS vessel (new battery concept, part of a large EU-funded project) and the second project is the upgrade of propulsions system on a large CSV vessel. Estimated fuel and emission reduction on these projects are 10% and 20% on an annual basis, respectively. The learning effects of applying this new technology is expected to be relevant for Solstad Offshore.

Metrics and Targets

E2-3 – Targets Related to Pollution

As described under ESRS E1 Climate change mitigation, the company have in place a range of measures to reduce emissions including air pollutants, but a specific target on air pollution reduction has not been set. However, NOx and SOx emissions are linked to the level of GHG emissions, as the pollution source is fuel use. This means that all GHG reduction levers and actions are also relevant for air pollution reduction. Hence, any targets are indirectly linked, and reductions in fleet fuel consumption which reduces GHG emissions, will also reduce emitted amount of NOx and SOx. Solstad has estimated that an annual reduction of fleet fuel consumption will reduce emitted NOx and SOX pollution by the same amount (in %). Specific emissions targets will be established as part of the development of the Climate transition plan that is part of ESRS E1 (next year).

The International Maritime Organization has established regulated maximum limits for pollutants, which Solstad strictly adheres to. Additionally, the company complies with pollutant limits set by regional and national authorities in the areas where it operates. Solstad views these regulated limits as upper thresholds and strive to operate well within them as a proxy for our environmental targets. Solstad keeps track of the progress of reducing pollution to air through the Environmental performance tracking systems, where all emissions data and corresponding pollution estimates are processed. Ambitions for pollution reductions are tied to the GHG emission reduction through the relevant identified decarbonisation levers.

E2-4 – Pollution of Air, Water and Soil

Solstad's performance tracking system automatically calculates the emitted amounts of NOx and SOx caused by vessel operation. The methodology used is derived from resolutions by the IMO's Marine Environment Protection Committee, using internationally recognized emissions factors. The calculation considers the engine type and make, the specific density of the fuel used as well as its sulphur content (for SOx calculation) and whether the vessel has an SCR scrubber installed (for NOx calculation). As fuel characteristics and amount are the main variable factors, reducing fuel consumption will accordingly contribute to the reduction of emitted NOx and SOx.

The required input parameters on i.e. fuel density and sulphuric content is provided by the fuel supplier at bunkering. The specific details on fuel usage per vessel engine type is stated in the engine certificates provided by the fuel supplier.

The amount of SOx pollution emitted by the vessel is calculated by multiplying given fuel type consumption expressed in metric tons and sulphur content factor expressed in kg/metric ton. The methodology used can be found in the IMO MEPC Regulation 14 on Sulphur oxides (SOx) and Particulate Matter (PM), and the IMO GHG Study Annex 6 Details for Section 2: other GHG emissions and relevant substances. The fixed factor used here is 20 kgSOx/ton fuel.

For the majority of operations out of Norway a NOx-tax have to be paid for same of the NOx-emissions (10 USD/kg / cost covered by our clients).

The vessels with Selective Catalyst Reducer (SCR) technology installed are required to be checked for NOx-emissions at regular intervals. This is done using a 3rd party specialist company that brings a mobile sensor system onto the vessel and then provides a certificate on the results.

Solstad has been monitoring NOx and SOx emissions since before 2010. These emissions are reported monthly to all employees through the Sustainability Monthly Report, and annually to external stakeholders via the company's Sustainability Report. An annual evaluation and review of these parameters is conducted as part of the Management Review process to identify any necessary adjustments to the business model or to initiate actions or measures to reduce emissions.

The table below details the amount of NOx and SOx emitted in the reporting year, as well as over the last two years and the target for 2025. Emission levels over the previous 3 years shows a strong reduction (75%), mainly due to the fleet reductions PSV sale in 2023 and transfer of vessel from SOFF to SMH SMH January 16, 2024.

Fleet Exhaust Gas Emissions

Pollutant type	2022*	2023*	2024
NOx (tonns)	9,972	8,424	2,472
SOx (tonns	352	280	87

Table 34
**) Not audited.*

Direct measurement of emitted NOx and SOx pollutants necessitates advanced technical sensor equipment, which requires ongoing maintenance and calibration. Given that the company adheres to the stringent maximum limits for emitted pollutants set by the International Maritime Organization and relevant local authorities in the regions where our vessels operate, we have determined that adopting direct measurement is not essential at this time. Our commitment to these regulatory standards ensures that our environmental impact remains within acceptable limits.

ESRS E4 - Biodiversity and Ecosystems

Solstad uses the transitional provisions allowing for a phased-in disclosure for the topic E4 – Biodiversity and ecosystems, as the company does not currently have sufficient data for accurate and complete disclosures for this topic. This approach allows for time to gather the necessary information for future reporting periods.

The specific ESRS E4 Sub-sub-topic "Invasive alien species" has been found to be material through the DMA process and our reporting will therefore focus on this.

The company's onshore sites currently in Norway, UK, Brazil, Singapore, Philippines and Australia is only involving office operations, and hence have very little biodiversity and ecosystems impact.

The vessels operations have higher impact on this sustainability matter. The majority of Solstad's offshore operations are connected with specific geographical areas. However, most vessel contracts open up for world-wide trade as the client have operational control when the vessels are on-hire (on contract).

The vessels' main operating areas in the reporting years have been the Brazilian continental shelf (CS), the North Sea (especially the Norwegian and UK CS'), Australia (North West regions), Mediterranean (mainly Italy), Taiwan, West Africa and Guyana. All of these ocean areas are opened by the local governments either for Oil & Gas, Renewable industry or cable/infrastructure projects and none of these areas are considered specifically as biodiversity-sensitive areas.

However, when the company's vessels relocate from one area to another, there is a risk for transferring marine species from one area to another.

New regulations on this topic are under development in Norway as well but will most likely take a few years before they are in place. For operations elsewhere the company follows the international regulations on ballast water treatment (IMO's Ballast Water Convention) and internal procedures have been implemented to evaluate the need for hull and/or propeller cleaning with or without collection of spoils from the cleaning process (evaluated case by case depending on operating areas, availability of equipment etc).

Sustainability Statement

Social Information

ESRS S1 - Own Workforce

ESRS 2 SBM-2 – Interests and Views of Stakeholders

The people in Solstad's own workforce are instrumental in enabling efficient operations aligned with company strategy. Solstad is therefore committed to creating safe working conditions and upholding equal treatment and opportunities for all employees, including the protection of their fundamental human rights. This is a core objective of our company philosophy, and Solstad strives to ensure that its strategy and business model are guided the interests of its own workforce. Recognising that the company's business model and strategy depend on the well-being and contributions of its workforce, and may also impact them, Solstad has established various mechanisms for engaging with this key stakeholder group. Among others, we conduct bi-annual Working Environment Surveys and Annual Appraisal talks to gather information on the interests and views of our employees. Employees who wish to remain anonymous may also voice their concerns through established grievance and feedback platforms.

ESRS 2 SBM-3 – Material Impacts, Risks and Opportunities and Their Interaction With Strategy and Business Model

The material impacts connected to our own workforce is related to "health and safety" and "gender equality and equal pay for work of equal value". See IRO overview in Table 8 page 46 and 47. We rely on a competent workforce to provide the services we offer through our business model, and there are material risks connected to all of these impacts in terms of increased cost connected to turnover, legal actions, insurance premiums and costs of implementing safety measures, but there are also opportunities connected to demonstrating a commitment to ensuring the health and safety of workers onboard our vessels. Other opportunities related to employee engagement and retention relates to improved productivity, innovation, and operational reliability by fostering a positive and supportive working environment. Opportunities are also related to improved reputation and market appeal through commitments to fair treatment, competitive pay, and safe working conditions.

Operations at sea involve significant risks to the physical health and safety of personnel. Employees on our vessels can be exposed to risks of occupational injuries, especially those in ratings positions handling high-risk equipment or working on deck. Our statistics indicate that crew on AHTS vessels are more vulnerable than those on CSV vessels.

Additionally, the shipping and offshore industry has traditionally been male dominated, which can create challenges for female workers, who may face additional pressures related to perceptions and treatment based on gender which may in turn add to risks connected to their health and safety. Most of these impacts are associated with the operations on our vessels but may also arise from contact with workers from the value chain.

Failure to provide a safe, secure, inclusive, and fair environment for all of our workforce, can negatively impact their well-being and ability to thrive. Work is a big part of people's lives, and feeling unsafe or disrespected in the workplace can have a big impact on people's health. Discrimination, harassment and violence is detrimental to both offshore and onshore personnel, and the organizational culture in Solstad influence the entire value chain. The potential effects of such impacts speak directly to our ability to attract and retain talented personnel and therefore also to our values, brand reputation and overall competitiveness.

We acknowledge that these impacts arise from our activities and business model. They are likely to persist within our industry for at least the medium to long term. While the identified material impacts generally relate to individual incidents, issues related to gender equality and equal pay may be more accurately viewed as systemic challenges.

The scope of the assessment of worker-related IROs encompasses all workers in our own workforce that are likely to be materially affected by our operations. Our own workforce mainly consists of full-time employees, but also some part-time and temporary employees as well as personnel provided by crewing agencies. Defined as "employees" in ESRS are the two first of these categories, which consist of both onshore employees and marine crews onboard. "Own employees" relates to personnel employed directly by SOFF (mainly Brazil), offshore crew hired from from SMH working on the SOFF owned and/or leased vessels, personnel hired from other crewing agencies and any other onshore office staff hired from manning agencies.
The ESRS "non-employees" term used for SOFF here relates to other personnel provided primarily by the Norwegian company Ocean Subsea that provides SOFF with ROV operators (and other related personnel).

Over the years we have developed an overall strategy for manning:
- We've made a strategic choice to ensure inhouse talent where possible
- We build industry relationships and knowledge about suppliers
- We promote diversity and inclusion
- We have a high focus on HSE on all levels

In the reporting year, no incidents of forced labour or child labour were registered in Solstad.

No geographic areas where Solstad operates have been assessed to carry a significant risk of forced labour or child labour for own workforce. The nature of our operations inherently carries a negligible risk of child labour, as the work often requires skills and physical attributes that children do not possess. Both the industry and Solstad have established and enforce stringent policies to ensure that child labour does not occur. Overall, we assess the risk of forced labour incidents as negligible, as Solstad operates in a highly regulated and transparent industry and is subject to strict international regulations.

Transition plans towards a low-carbon future with greener and climate-neutral operations might impact our workforce, necessitating reskilling to meet these objectives. To the degree that this becomes the case, Solstad will revise its strategy and take steps to ensure its own workforce receives the necessary training and upskilling.

We are confident that Solstad is well positioned to effectively address the material impacts, risks and opportunities related to our own workforce. Headquartered in Norway, with stringent regulations governing worker welfare, we have a long-standing commitment to providing excellent working conditions in compliance with all relevant laws. This commitment has fostered a sound safety culture and strong performance on HSE aspects. While many of our operations take place internationally, where regulations may be more relaxed, our core focus on HSE and worker-related rights has consistently shaped how we conduct operations globally. With an increasing industry-wide focus on these issues, we aim to drive meaningful improvements for workers across the sector. We are confident that our reputation as a responsible employer will continue to enhance our market position.

Financial Effects and Resilience of Strategy and Business Model
Solstad utilizes the phase-in provision for SBM-3 48 e, for the 2024 Sustainability Statement.

Given the company's strong financial position, we foresee minimal workforce-related issues like health and safety, gender equality, and equal pay for the next reporting year. Although there might be risks, such as increased costs from legal actions, insurance premiums, and safety measures, these also present opportunities to enhanced employee engagement, productivity, operational reliability, reputation, and market appeal. Occupational injuries, especially for vessel crew, are significant risks. Opportunities arise from fair treatment, competitive pay, and a safe working environment, fostering innovation and resilience.

A part of our regular strategy review, we assess our capacity, including financial capacity, to address material impacts and risks while taking advantage of material opportunities. Most of our employees are members of worker unions worldwide, with whom we maintain a strong relationship through frequent meetings and information sharing. This long-term strategy ensures that we have motivated and competent employees for all our operations.

In markets like Brazil, with high local content requirements and local wages tariffs, Solstad employs most of its personnel, including crew, instead of relying on crewing companies. This strategy builds a stronger workforce with a high retention rate, monitored monthly.

In the reporting there was one significant change to impacts, risks and opportunities when SOFF split on January 16, and about 75% of the employes was transferred from Solstad Offshore ASA (SOFF) to Solstad Maritime Holding (SMH). This resulted in mainly Brazilian employees remaining in SOFF, sharing some crew and Key Management positions with SMH through management agreements. All employees continue to work under the same management system, tariff systems, and unions agreements.

S1-1 – Policies Related to Own Workforce

Solstad has in place various policies and operational procedure descriptions to guide its work on addressing own-workforce related issues. Mainly relevant to the identified material IROs are the "Health and Safety policy." Furthermore, the company's Code of Conduct states Solstad's commitment to upholding human rights as defined by the UN. Related to own workforce, the most relevant human-rights commitments regards non-discrimination, just and favourable conditions of work, as well as equal pay for equal work. All policies undergo continuous improvement to address evolving expectations and requirements. The aim is to reduce risks and adverse effects on our workforce while also creating opportunities.

Non-Discrimination
Our Code of Conduct promotes equal opportunities and the elimination of all types of discrimination, including on the grounds of religion, skin colour, sex, sexual orientation, age and disability. To implement specific procedures to ensure discrimination is prevented and/or mitigated, Solstad has established a Working Group for Diversity, which oversees initiatives related to the inclusion of groups at particular risk within our own workforce. One such initiative is the "Women in Solstad" project, aimed at supporting gender equality and encouraging more women to join our company. More information can be found at our website: www.solstad.com/opportunities/women-in-solstad/

Supporting the policy objectives of gender equality and mitigating potential negative impacts in this area are specific procedures such as the "Recruitment Onshore Personnel" and "Pre-Employment Process". These procedures ensure that gender balance, diversity and inclusion are taken into consideration during the recruitment and employment process.

Health and Safety
To promote well-being at work and uphold our commitment to a safe working environment, the superior "Health and Safety" policy is in place, applicable to our entire workforce. Our SIMS system serves as the framework for management all health and safety-related impacts and mitigating activities. This system includes procedures designed to prevent unwanted workplace incidents and foster a safety culture.

Solstad never compromises on safety. Safety is one of our core values and is always a priority for all employees. We have established a robust safety culture onboard all vessels to ensure incident-free operations. The cornerstone of this effort is the Solstad Incident Free Operations (SIFO) program. Given the inherent safety and security risks related to operations at sea, we focus on evaluating, facilitating, planning and preventive measures to avoid all types of personnel-related injuries and incidents that negatively impact the working environment. Over the years, Solstad has developed an extensive management system that includes a process-based quality system, an extensive HSE reporting system with incident and positive feedback reporting, risk handling, Management of Change, Drills management and audit/investigations portal, in addition to several related systems.

Human Rights
As outlined in our Code of Conduct, Solstad is dedicated to upholding human rights and ensuring decent working conditions across all our operations. To support this commitment, Solstad has established a thorough procedure titled "Transparency on Human Rights and Working Conditions" to promote ethical business practices. This procedure aligns with the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises. It strictly prohibits any infringement of human rights, while actively promoting their respect along with decent working conditions across all our activities.

The Procedure explains how Solstad annually conducts due diligence according to the OECD Guidelines and the Norwegian Transparency Act, prioritizing based on risk. This includes integrating responsible business practices into company policies, identifying and evaluating actual and potential adverse impacts on human rights and working conditions, and taking steps to prevent or mitigate these impacts. Engaging with workers to gather information on potential human rights issues is integral to this process. See further description of engagement with people in our own workforce in the table below. The procedure further specifies appropriate actions to stop, prevent, or reduce adverse impacts based on their assessments and priorities.

Solstad's work on human rights due diligence is also reported in our annual statement on the Transparency Act, available our web site at www.solstad.com/whistleblowing/ along with our Modern Slavery Statement, affirming our stand against forced or compulsory labour, child labour, and human trafficking in all corporate activities.

Furthermore, Solstad is subject to the Seafarers' Employment Agreement (SEA) as defined by the Maritime Labour Convention. This means that Solstad is legally responsible for ensuring that working and living conditions for employees on board comply with these regulations, with terms approved by the International Transport Workers Federation (ITF) and affiliated seafarers' national unions and complying with applicable flag states regulations.

Disclosure of our general approach to provide and enable remedy for human rights impacts are described in S1-3 "Remediation of negative impacts" and S1-4.

S1-2 – Processes for Engaging With Own Workers and Workers' Representatives About Impacts

Solstad employees can impact decisions and actions that affect them through various means, shown in the table on the next page.

These various forms of engagement are designed to capture insights from our workforce, contribute to the company's decision-making process and the continuous development of company strategy. Currently, Solstad has not entered into any formal Global Framework Agreement related to the respect of workers' human rights. The effectiveness of our engagement with the workforce is not yet systematically assessed but can addressed during appraisal talks.

Type	Type of Engagement	Frequency	Responsibility (senior role)
General meetings	Directly with Employees	Monthly	COO
Crew conferences	Directly with Employees	Annually	HR Director
Department meetings	Directly with Employees	Monthly	Directors
KPI reviews	Between Employees and their respective Managers/ Directors	Annually	COO
The reporting system (normal and whistleblower channels)	Via the reporting system	Continuously	COO
Management Review input	Between Employees and their respective Managers/ Directors	Annually	COO
Working environment surveys	Via Surveys	Bi-annually	Administration and Communication Director
Appraisal Talk (Office employees and Captain) Employee Evaluation (Offshore/vessel crew members)	Directly with Employees	Annually	Relevant leader
Involvement in or attendance at the Working Environment Committee with the elected Protection & Environment Supervisor serving as the workers' representative	Directly with Employees (workers' representatives) and Management	Varies between offices and vessels (several times annually)	Varies (Directors/Masters)

Table 35

At Solstad's headquarters in Norway, employees have also elected a workers' representative and a Protection & Environment Supervisor who are permanent member of the Working Environment Committee.

This committee addresses various issues, including:
- Health, environment, and safety in the workplace
- Occupational health and safety services
- Training and information on work environment topics
- Working time arrangements affecting health and welfare
- Plans impacting the work environment, such as work processes, safety measures, construction work, and machinery purchases
- Reports on occupational diseases, workplace accidents, and near-accidents

All Solstad offices are encouraged to elect their own workers' representatives to unite efforts in addressing risks and impact issues as mentioned above. Marine crews have also implemented a Working Environment Committee with an elected Protection & Environment Supervisor. Additionally, union representatives engage with HR Director Maritime Personnel and Crew Managers in meetings held as needed, typically several times annually, to discuss current topics like working conditions, operational challenges, staffing situations, and crew welfare.

SOFF has direct engagement with three Brazilian unions for seafarers (officers and ratings) whereas SMH engages with the four Norwegian unions, the Filipino union (one) and the three Australian unions. All unions have dedicated contact persons that are involved in key issues and matters relating to their specific area of responsibility. The physical unions meetings are arranged locally at each office location.

S1-3 – Processes to Remediate Negative Impacts and Channels for Own Workers to Raise Concerns

Solstad is committed to addressing and remedying any negative impact that it has caused or contributed to, through offering various channels available for employees to raise concerns. The following paragraphs outline the different reporting channels and the procedures for addressing and remedying concerns.

All Employees

Normal Reporting Channel

All employees can raise concerns of negative impacts through the normal reporting channels. This can be done directly in the HSE reporting system (provided from software company UniSea) or through an analogue paper-based alternative. The system tracks the progress of follow-up on all reports, and employees can monitor the status. Reports are assigned to a responsible individual by the HSEQ Manager, who is tasked with ensuring each report is subsequently addressed. The HSEQ Manager then verifies that the follow-up on the report has been carried out in accordance with internal procedures.

Whistle Blower Channel

Solstad has a dedicated whistleblower channel for reporting misconduct. Reports should be submitted through the company's whistleblower portal on our website www.solstad.com/whistleblowing/. The company's whistleblower channel is well implemented and communicated several places both internally and externally such as in the management system, on the company's webpages in in the annual disclosure on the Transparency act. All stakeholders may report on this channel without risk of retaliation.

Submitted reports are promptly registered and reviewed by qualified personnel, including an internal legal expert and one external lawyer from Wikborg & Rein. A dedicated Investigation checklist in the management system is used to ensure proper handling on each case, involving relevant personnel as needed. In cases of high importance external assistance and/or investigation may be required.

The Group Compliance Officer is the single point of contact to manage the response to claims. If the complaint is filed against the Group Compliance Officer, CFO, or other high-ranking officers, an independent third-party, such as an appointed lawyer, handles the claims to ensure impartially and appropriate follow-up.

Solstad also enforces an "Anti-Bribery, Corruption, Fraud and Whistle Blower Policy" to protect individuals using this channel against retaliation, which stipulates that no retaliatory action will be taken against them. The policy also state that concerns can be expressed anonymously.

Additional Channel for Marine Crews

On Board Complaint Procedure

Marine crew members with employment disputes on the vessel should address them with the captain, using the On Board Complaint Procedure, which is introduced during the Onboard Familiarization process. This procedure allows seafarers to file written complaints regarding breaches of the Maritime Labour Convention 2006 to the captain, relevant department head, flag state, port state, or national authorities. The procedure encourages resolving complaints at the lowest possible level, following this hierarchy: 1) Superior Officer, 2) Head of Department, 3) Captain. Each level has five days to resolve the issue.

The seafarer has the right to be accompanied or represented by either the Safety Delegate or Union Representative on board when filing a complaint. Complaints should be handled by the captain personally. If the complaint concerns the captain, it will be managed by Solstad administration. The captain may seek assistance from the relevant Solstad department. If the captain cannot resolve the complaint, the seafarer has ten days to escalate the matter to MLC Shipowner (Solstad via Crew Manager or Crew Coordinator).

Solstad and the seafarer have another twenty days to resolve the matter. If the issue remains unsolved, the matter can be brought to the Flag State within an additional twenty days. All complaints and their resolutions shall be recorded and a copy shall be provided to the complainant seafarer.

Designated Person Ashore

The Designated Person Ashore (DPA), as mandated by the International Safety Management (ISM) Code, is accessible to all marine crew. The DPA serves as a liaison between the Company and the crew, with their position onshore allowing direct access to Top Management.

The Working Environment Committee established onboard is also a channel that can be used to raise concerns.

Awareness and Trust in Channels and Structures
The availability of these channels should be well known to all employees and part of the onboarding procedure (Familiarization).

The effectiveness (reporting frequency) of the Normal Reporting Channel is subject to one of Solstad Corporate Key Performance Indicators, where the KPI target is set as one report per person per month. Since Solstad typically meets the KPI, this in itself indicates that the channel is well-known and trusted.

The trust and awareness of these structures are also typically discussed and assessed during different type of engagements with our workforce, such as during Appraisal Talks.

Remediation of Negative Impacts
Our own workforce onboard our vessels are covered by a Protection and Indemnity (P&I) insurance, covering Injury, illness, or death of crew, passengers, or third parties. Solstad provides health insurance for its own workforce, ensuring quick and easy access to treatment at private hospitals or appointments with medical specialists. To prevent recurrence, shore-based personnel will follow up on all reports submitted through the mentioned channels. Follow-ups are risk-based and adhere to the As Low As Reasonably Practicable (ALARP) principle, aiming to minimize recurrence risk. High-risk reports (those with high consequences or high probability) undergo thorough investigations by either an internal or external team. These investigations will identify root causes and propose corrective actions to prevent future occurrences.

S1-4 – Taking Action on Material Impacts on Own Workforce, and Approaches to Mitigating Material Risks and Pursuing Material Opportunities Related to Own Workforce, and Effectiveness of Those Actions

The procedure for handling employee grievances, complaints, and feedback suggestions impacting our workforce is detailed in the internal process "Employee Relations". A crucial element of this procedure involves collecting and mapping feedback from the entire organisation, accomplished by administering a Working Environment Survey biennially. All departments are involved in follow-up of the findings upon requested by HR Administration Department and are responsible for developing and implementing an action plan based on the survey results. The actions and initiatives may be initiated based on this survey, and the effectiveness can be measured by comparing results from previous Working Environment Surveys.
The Working Environment Survey cover several topics, including the categories "Workplace Safety and Inclusion" and "Working Environment and Satisfaction", which historically have been the categories with the best (positive) score (respectively 4,1 of 5 and 4,1 of 5 in 2024 with a positive trend compared to previous surveys). This survey may also initiate actions to pursue material opportunities for Our Workforce.

Annually, Solstad also distributes a survey in connection with the Company Safety Campaign. The main goal of the annual campaign is to deliver positive impacts, by engaging the workforce and enhancing awareness, knowledge, and competence. Campaign effectiveness is typically assessed by comparing statistics from the Focus Area before and after the campaign.

Every employee is also required to participate in an Annual Appraisal Talk with their supervisor. This systematic process includes a survey and provides a platform to address and follow up on material impacts and opportunities.

Material impacts on our workforce are assessed and managed like other hazards. This management is integrated into our operational processes, becoming a part of the day-to-day work for many Solstad employees, and is also a leadership responsibility. Annually we review and document efforts to mitigate material risks and pursue opportunities in the "Corporate Risk Assessment regarding human rights and working conditions." The actions taken based on this Risk Assessment include, among other things:

- Established process for managing identified actual and potential adverse impacts
- Updated Code of Conduct
- Established channels for Whistle Blowing
- Established the "Women in Solstad" program to promote gender equality
- Employ the majority of vessel crew directly
- Limit the number of crewing agencies we use
- Invest in training and development programs which are mandatory for all personnel onboard our vessels
- Maintain and promote a good working relationship and cooperation with seafarers' unions
- Courses on handling lithium-ion batteries or other novel technologies that may pose a risk for crew if installed on the vessel

Actions to provide or enable remedy in relation to an actual or potential material impact on own workforce is based on an assessment on how Solstad is involved, in order to determine the appropriate follow-up. Prioritizing shall be given in the following order:
i) Solstad has caused adverse impacts
ii) Solstad has contributed to adverse impacts
iii) Adverse impacts are associated with Solstad

The prioritization shall also be based on severity (actual violation) and likelihood (potential violation). Solstad shall implement suitable measures to cease, prevent or mitigate adverse impacts based on this assessment and prioritizations. No actual and potential adverse impacts have been identified in 2024

Resources
Dedicated resources allocated to managing material impacts also include a dedicated Sustainability department, which works closely with the HSSQ department to address key ESG topics. Additionally, a dedicated position in the Finance department (Group Compliance Officer & Corporate Secretary) plays a vital role in managing material impacts.

Avoid causing or contributing to material negative impacts. Solstad ensures that its practices do not cause or contribute to material negative impacts on its own workforce by actively engaging in union activities and maintaining established communication channels with our customers.

Through robust union representation, we facilitate open dialogue and collective bargaining, ensuring that the workforce's concerns and needs are addressed promptly and effectively. This collaborative approach helps in identifying and mitigating potential negative impacts early on.

Additionally, we leverage established channels with our customers to ensure transparency and accountability in our procurement, sales, and data use practices. These channels allow us to address any arising tensions between preventing or mitigating material negative impacts and other business pressures, ensuring that our workforce's well-being remains a top priority.

Metrics and Targets

S1-5 – Targets Related to Managing Material Negative Impacts, Advancing Positive Impacts, and Managing Material Risks and Opportunities

Solstad tracks its progress relating to actions addressing material impacts and risks related to its own workforce through the below listed targets. Relating to the health and safety of employees, Solstad has a continuous zero-incident policy regarding both total recordable case frequency (TRCF) and lost-time injury frequency (LTIF). Regarding Solstad's actions for reducing impact on employees related to gender imbalance, the Company's long-term targets are to achieve 10% female seafarers in general and 30% female onshore employees in management positions by 2030. These targets and KPIs are set annually at the highest management level, by Executive Management.

Directors and Managers conduct an annual evaluation of targets and KPIs. Following this review, new targets are established for the coming year. Targets and KPIs (performance) are updated and monitored monthly through the corporate KPI Centre. Additionally, their status is reviewed and presented during the monthly General Meeting and communicated via Circular Letters to all employees within each department. Lessons learned or improvements identified from the performance will be reviewed annually by Management ("Management Review"). Once the review is completed and approved, the results will be shared with all offices and vessels.

At an operational level, Officers, Directors and Managers are responsible for carrying out the accompanying action plans and communicating them to employees and interested parties. Operational review of Targets and KPIs are normally part of regular department meetings, where all employees in the respective departments participate and are encouraged to engage in both setting new targets and identifying improvements as a result of achieved performance. Thus, action plans and performance against targets is continuously monitored and reported to all relevant personnel, and remedial action will be taken as needed to keep them on track. It is each employee's responsibility to be informed about relevant KPI's and contribute to assist in the process of meeting the set targets. Facilitating for this, Solstad displays monthly KPIs performance in the Solstad Offshore communication sites (i.e. Bulletins, Intranet and Notice Boards). Furthermore, all employees (our workforce) have the opportunity and are encouraged to suggest targets via the reporting system (Category: "Experience Transfer").

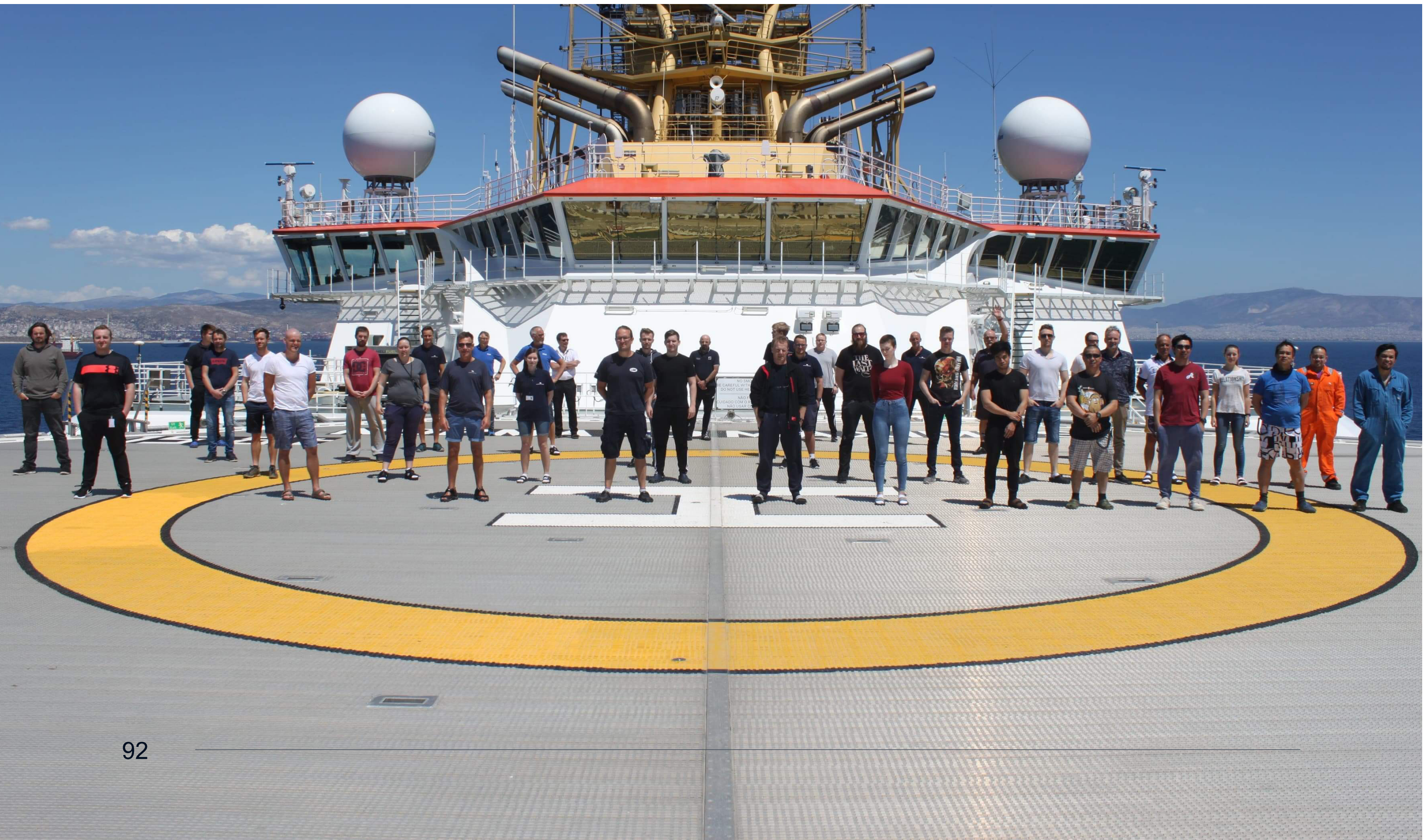
Sustainability matter	Metric	Unit	Actual 2022*	Actual 2023*	Actual 2024	Target 2025
Health and safety - Total	TRCF	Incidents per 1 mill working hours	1.24	1.25	1.10	1.00
Health and safety - Own employees	TRCF	Incidents per 1 mill working hours			1.14	
Health and safety - Non-employees	TRCF	Incidents per 1 mill working hours			0.00	
Health and safety - Total	LTIF	Incidents per 1 mill working hours	0.29	0.25	0.27	0.00
Health and safety - Own employees	LTIF	Incidents per 1 mill working hours			0.29	
Health and safety - Non-employees	LTIF	Incidents per 1 mill working hours			0.00	
Gender equality (own)	Female FTE portion	Percentage				(not reported)
Retention rate of seafarers	Percentage	Percentage				(not reported)

Table 36
** 2022 and 2023 numbers are not audited*

Methodologies and Assumptions Used to Compile the Data in S1
The unit FTE (Full Time Equivalent) represents the workload of a non-employee in relation to a full-time schedule. A full-time position is typically considered 1.0 FTE, meaning the non-employee works 100% of the standard full-time hours (example an 80% position is 0,8 FTE).

For both marine crew employees and marine non-employees, Full Time Equivalent and Head Count are identical.

To calculate the TRCF and LTIF a number of 24 hours per day per person on the vessels is used as the basis (industry standard). The total number of work related Fatalities+Lost Time Incidents (LTI's) + Restricted Work Cases (RWC) + Medical Treatment (MT) cases is used for the TRCF. Fatalities + LTI's for the LTIF. The numbers are per million hours. Office personnel work hours is included using an average number for overtime for all onshore employees. Incidents and work hours is also included for hired personnel on the vessels (non-employees) using the same methodology.



S1-14 – Health and Safety Metrics

All of our own workforce (100%) is covered by Solstad Integrated Management System based on legal requirements and/or recognised standards/guidelines

Work related categories	Metrics	Comments
Number of fatalities (injuries/ill health)	0	Includes other workers working on Solstad's sites (such as value chain workers in Solstad's own workforce)
Number of accidents	4	
Rate of accidents	0.82	Rate based on number of cases divided by the number of total hours worked multiplied by 1 000 000
Number of recordable ill health	0	
Number of days lost (injuries/fatalities/ill health)	1	Lost Time Incident (injury)

Table 37

S1-17 – Incidents, Complaints and Severe Human Rights Impacts

Complaints filed through channels of the National Contact Points for OECD Multinational Enterprises related to the matters defined in paragraph 2 of ESRS S1 has not been applicable for this reporting period. If applicable for the reporting period, the most relevant amount(s) related to reconciliation of fines, penalties, and compensation for damages as result of Human rights incidents is presented in financial statements.

Work related categories	Metrics	Comments
Incidents	0	Total number of work-related incidents of discrimination/harassment
Complaints	0	Total number filed through channels of complaints (Whistle Blower Channel and DPA cases)
Sanctions	0	Total amount of fines, penalties, and compensation for damages as a result of the incidents and complaints
Reconciliation	0 NOK	Total amount of fines, penalties, and compensation for damages
Human rights incidents (total)	0	Identified cases of severe human rights incidents (e.g., forced labour, human trafficking or child labour)
Human rights incidents (non-respect of international guidelines)	0	Incidents which involve cases of non-respect of the UN Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles and Rights at Work or OECD Guidelines for Multinational Enterprises)
Fines	0 NOK	Total amount of fines, penalties, and compensation for damages

Table 38

ESRS S2 – Workers in the Value Chain

ESRS 2 SBM-2 – Interests and Views of Stakeholders

The people in Solstad's value chain are also key personnel in enabling efficient operations aligned with company strategy. Solstad is therefore committed to creating safe working conditions and upholding equal treatment and opportunities for all workers in the value chain, including the protection of their fundamental human rights. This is a core objective of our company philosophy, and Solstad strives to ensure that its strategy and business model are guided the interests of the value chain workforce. Recognising that the company's business model and strategy depend on the well-being and contributions of its value chain workforce, and may also impact them, Solstad has established various mechanisms for engaging with this key stakeholder group. Among others, we conduct value chain surveys, require supplier self-assessments on key sustainability matters including workers health and safety and other fundamental human rights topics to gather information on the interests and views of the value chain workers. Employees in the value chain who wish to remain anonymous may also voice their concerns through established grievance and feedback platforms.

ESRS 2 SBM-3 – Material Impacts, Risks and Opportunities and Their Interaction With Strategy and Business Model

In Solstad's global vessel operations the most prominent impacts regarding workers in the value chain are connected to "adequate wages" and "health and safety" and "health and safety". These impacts have financial risks related to high turnover, disruptions in the supply chain, reputational loss and possible increased costs due to remediation. The opportunities are connected to productivity and reputation if we succeed in continuing to be in the top segment on these subjects. Responsible wages and a safe working environment in the entire value chain is key to delivering positive results both for Solstad and all our value chain companies.

We believe we are in a good position to address our material impacts and risks connected to the conditions for our value chain workers and to take advantage of the related material opportunities. We are financially strong and at the forefront of our business, and stemming from a Norwegian business culture, concern for the wellbeing of people is already built into the core of the way we do business.

Every year a due diligence in accordance with the OECD Guidelines for Multinational Enterprises is carried out. The purpose of this Process is to contribute to Responsible Business Conduct and to ensure compliance with Modern Slavery Act and other statutory requirements. We acknowledge that respecting fundamental human rights is a prerequisite for doing business now and in the future, and we will continue to progress towards strengthening human rights in the industry.

We aim to include all relevant value chain workers that are likely to be materially affected by our business is included in the reporting. workers working on the undertaking site but who are not part of own workforce is not part of the scope of our disclosures. There is a higher risk of the impacts connected to for example value chain workers such as yard workers in countries Brazil and Singapore (compared to Norway or other North European countries) and we believe these areas are connected to a heightened risk of forced and/or compulsory labour. The risk of child labour is considered to be insignificant due to the attributes, competencies and skills needed to perform the related tasks.

If workers in our value chain are not paid adequately or provided with proficient measures to secure their health and safety, one result of Solstad's business will be poverty, inequality and the potential for serious accidents and even fatalities and can even result in serious detriment to our own workforce and operations. Because we have chosen to operate globally and do not have total insights into all aspects of our suppliers and clients, these are impacts we currently risk facing because of our strategy and business model and probably will face on a long-term basis.

Upstream Workers / Yard Workers

The outcome of the annual Transparency act due diligence / Risk Assessment process showed that the use of shipyards around the world may pose one of the highest risks of breaches to human rights for Solstad, and it came out with high materiality during our double materiality assessment process.

The potential impacts on yard workers originate from the respective yards and are not innately related to our business. However, they are connected to us through our business model because of our need for maintenance on our vessels during or between operations around the globe. We are dependent on yards to run a competitive and financially sustainable business and would not be able to provide the level of maintenance we need in any other way. The level of maintenance is also a pivotal priority when it comes to mitigating the potential impacts on health and safety for the people on board our vessels.

The potential material impacts on yard workers are for the large part related to individual incidents (risks such as risk of death, life threatening injuries, long term health-issues), but some of the issues connected to health and safety are widespread for all of these value chain workers due to the nature of the work.

Undoubtedly, the wages, level of training and working conditions of these value chain workers affect the business, and the effects can surface in the pricing of different suppliers and in clients refusing to operate in some areas or to work with suppliers due to risk of breaches to human rights. We also run the risk that serious suppliers may be outcompeted by suppliers that do not uphold acceptable standards on the subject and this in turn can affect the competition in our own business segment. In some cases, projects might be assigned to competitors that offer lower rates because of such breaches to human rights, but more often it is the actors that can provide trustworthy information about how they work to mitigate these risks that win the projects, hence the identified opportunities.

When it comes to value chain workers in general and yard workers specifically, we've made a strategic choice to reduce risk connected to possible human rights breaches in our supply chain. A list of concrete actions is given under ESRS S2-4.

Downstream Workers / Client Personnel

The potential impacts connected to the health and safety for client personnel (downstream) is connected to our business model because it allows for the client to have their own personnel onboard our vessels to secure and execute their own operations. Even though these workers are not considered as high risk workers (compared to yard workers), we are connected to these impacts through our own activities. These employees are either hired directly or indirectly by the client to perform a specific client-initiated tasks on the specific project being executed. Our material impact on their personnel's health and safety does, however, originate from the inherent physical risks (such as risk of death, life threatening injuries, long term health-issues) connected to working on the type of vessels we operate, which we have a broad understanding of, and which has always been a priority at Solstad. To ensure that heath and safety and adequate wages are under control a bridging document is made and signed by both parties at the start of the contract. This outlines the requirements for both Solstad and the Client on the specific job to ensure a safe working environment.

These potential impacts have always informed and contributed to adaptions to our strategy and business model. We revert to the information provided under "S1 - Our workforce" when it comes to securing the health and safety of all personnel onboard our vessels.

Solstad utilizes the phase-in provision for SBM-3 48e for the 2024 Sustainability Statement.

S2-1 – Policies Related to Value Chain Workers

At the highest level, Solstad's work on human rights and decent working conditions is anchored in our "Company Philosophy, Objectives and Strategy"-policy, which is in alignment with the UN Guiding Principles on Business and Human Rights, also considering the Guiding Principles of the International Bill of Rights, including the Universal Declaration of Human Rights and the two Covenants, as well as the International Labour Organisation's Declaration on Fundamental Rights and Principles at Work and its core conventions.

The relevant policies under our Supplier Code of Conduct (SCoC) are directed at all our suppliers, including sub-suppliers, contractors, sub-contractors, agents and consultants and therefore cover all our upstream value chain workers. This policy is also states that alignment with the UN Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles and Rights at Work or OECD Guidelines for Multinational Enterprises is a requirement. Suppliers are also required to comply with other applicable national and international laws, regulations and standards, both in their country of origin and where they operate. Issues concerning the health and safety of client personnel are covered by the same policies we have for the health and safety of our own workforce, and we refer to ESRS S1 for more information about these downstream value chain workers.

The policy explicitly addresses forced and compulsory labour, but not trafficking of human beings or child labour. When it comes to working hours, breaks, wages and social benefits it states that suppliers shall meet, as a minimum, national or industry standards, whichever affords the greatest protection. Wages should be enough to meet basic needs. Suppliers must also ensure that all employees are provided with written agreements of employment, setting our employment conditions in a language that is understandable to the individual concerned. Payments are to be made timely, in legal tender and fully documented.

Stakeholders such as suppliers must complete an electronic supplier request form detailing the Solstad requirements and sign the SCoC document for alignment. For all purchases over 500.000 NOK, Solstad has a Group Procurement Policy. It encompasses pass-through billing scenarios and optional extension clauses as part of the total contract value. As stated in the policy, Solstad is committed to "integrating sustainable practices into its procurement processes, minimizing Environmental, Social, and Governance (ESG) risks throughout its supply chain, and driving sustainable development." Solstad departments and department requestor collaborate with suppliers to identify and address sustainability-related issues.

All procurement activities in general must adhere to Solstad's Code of Conduct, Supplier Code of Conduct, Sanctions Compliance Program, Power of Attorney, and other applicable policies emphasizing sustainability principles. If a call-off is required under an existing agreement, the Group Procurement Policy applies. It is not necessary to complete the entire procurement process if the existing contract is valid and meets the requirements.

Furthermore, the Group Procurement Policy states that "Responsible Sourcing" shall apply. This is defined as "… responsible sourcing approach aligns with its commitment to social responsibility, environmental sustainability, and ethical business practices. Solstad prioritizes ethical suppliers who demonstrate adherence to our high standards, ensuring that our procurement decisions contribute to sustainable outcomes."

We monitor compliance through encouraging our suppliers to inform us on the subject and perform audits where and when we deem necessary. Audits can be triggered by reported incidents related to the supplier through the Solstad internal HSE or TM Purchasing systems or due to high risk identified as part of the onboarding processes of new suppliers. An addition, through the internal HSE reporting system any deviations or breaches are reported on a daily basis from all employees specifically linking specific suppliers to an incident if possible, to ensure required follow up both on the short-term (if urgent) and on the long-term basis (typically for annual supplier meetings).

Project leaders also perform spot checks on yards during maintenance projects which, according to our risk assessment, is where we have the highest risk of having negative impacts on our value chain workers.

As policies are aimed at compliance and to mitigating the impacts to human rights, and as a result of this we also mitigate the financial risks and opportunities connected to human rights. We maintain a good relationship with seafarer's unions in own workforce and will continue to improve on the subject.

During the report year there has not been registered any cases of non-respect of the UN Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles and Rights at Work or OECD Guidelines for Multinational Enterprises that involve value chain workers.

S2-2 – Processes for Engaging With Value Chain Workers About Impacts

Solstad has not yet adopted a general process to engage directly with value chain workers. This process will be evaluated and implemented over the next one to two years as part of the Supply chain follow up work. The plan is to implement clear communication channels for workers at key suppliers in the supply chain starting with suppliers and regions where the risk is found to be the highest.

S2-3 – Processes to Remediate Negative Impacts and Channels for Value Chain Workers to Raise Concerns

Solstad has not yet uncovered any material negative impacts it has caused or contributed to in regard to its value chain workers and has not yet adopted an approach to providing or contributing to remedy for such cases. Therefore, the company has not made any assessments of the effectiveness of such an approach.

Solstad has a general whistleblower channel allowing value chain workers to communicate directly to Solstad. While we support the availability of such channels in the workplace of value chain workers, we currently do not have explicit requirements for this. However, by 2025, we plan to include this in our Supplier Code of Conduct.
A detailed description of how we track and monitor issues raised through this channel, ensuring its effectiveness and stakeholder engagement as well the policies in place to protect users of the channel against retaliation, is stated under ESRS G1-1. We have not yet implemented any process for assessing whether value chain workers are aware of and trust the whistleblower channel.

S2-4 – Taking Action on Material Impacts on Value Chain Workers, and Approaches to Managing Material Risks and Pursuing Material Opportunities Related to Value Chain Workers, and Effectiveness of Those Actions

Solstad is committed to addressing material impacts on value chain workers and managing related risks and opportunities effectively. We have implemented several actions and initiatives to achieve this goal.

This description focuses on the upstream worker IROs, as client-related downstream workers' IROs are less challenging, and Solstad has less influence on them. Generally, client workers on Solstad vessels earn higher wages than upstream workers like onshore yard workers. Health and safety on a vessel is a joint effort, with both parties adhering to an agreed safety system to prevent operational incidents. The safety regime on a vessel is in general much higher than what is normal on an international shipyard.

Material Impacts

Over the past two years, we have enhanced our management system to prevent and mitigate material negative impacts on our value chain workers. This includes implementing policies and practices ensuring fair treatment, safe working conditions and respect for worker's rights.

For workers in our supply chain, and yard workers especially, we do not have direct control over their working conditions. Therefore, we have assessed possible measures that can reasonably ensure our suppliers respect human rights. The measures we have implemented include:

- Requiring all suppliers to adhere to the Solstad Supplier Code of Conduct
- Conducting a yard qualification procedure and holding pre-meetings with shipyard management
- Using only preselected, trusted shipyards from various global regions for planned maintenance
- Having project managers (typically technical superintendents) perform spot checks for human rights breaches as part of their project execution checklist, and report on them after project completion
- Auditing selected shipyards at any given time during their work for Solstad
- Collaborate with Sea1 ASA (previously Siem Offshore ASA) to share information and lessons learned about shipyards

Solstad has not yet uncovered any actual material impacts on our value chain, and therefore, we have not yet taken initiatives aimed at remediation.

As mentioned in SBM-3 in this chapter, we have identified risk and the potential of negative impacts for value chain workers during maintenance projects. To mitigate risk our project leaders, perform spot checks on a regular basis.

Admittedly, within our business, as we conduct global operations, there is always uncertainty regarding the presence of adequate wages within our value chain. However, as the majority of our value chain operates in industrialized countries where employees typically receive adequate compensation, the likelihood is considered low. However, we will continue to monitor the situation as an approach to manage risk and potential negative impact.

Over the next two years we plan to initiate programs aimed at delivering positive impacts for value chain workers to focus on improving workers' skills, providing better working conditions, and enhancing their overall well-being. We do not currently have processes in place for tracking and assessing the conditions of our value chain workers, but in the future, we will track and assess the effectiveness of the initiated programs through continuous dialogue and engagement with value chain workers and value chain worker representatives.

Material Risks and Opportunities

Our identified material risks are connected to possible added costs in connection with increased regulation, higher premiums and/or decreased demand for our type of service. Material opportunities are connected to possible added attractiveness and competitiveness derived from being in the top segment on these issues, as these are also of great concern to the public, investors and clients. Our current actions have been aimed directly at identifying and preventing the impacts itself.

We have taken action to avoid causing or contributing to material negative impacts on value chain workers through our own practices. We refer to the information provided under ESRS S1 SBM-3 for information about this. There has not been reported any severe human rights issues and incidents connected to our upstream and downstream value chain.

Solstad has integrated the management of value chain worker challenges into its everyday supply chain policies and processes. Our team, comprising over 50 individuals from various departments within the Solstad group supporting SOFF (including Purchase, HSEQ, and Technical), engages in these activities periodically. This includes our project leaders that are responsible for tasks related to monitoring and identifying breaches, as well as personnel conducting audits.

Resources and Collaboration

We allocate sufficient resources to manage material impacts, risks, and opportunities related to value chain workers. This includes dedicated teams, financial investments, and partnerships with relevant stakeholders. We collaborate with industry peers, non-governmental organizations, and other stakeholders to address material impacts on value chain workers. This includes participating in multi-stakeholder initiatives and sharing best practices.

Continuous Improvement

We are committed to continuous improvement in our efforts to address material impacts on value chain workers. We regularly review and update our policies, practices, and initiatives to ensure they remain effective and aligned with evolving international standards and client and other stakeholder's expectations.

Metrics and Targets

S2-5 – Targets Related to Managing Material Negative Impacts, Advancing Positive Impacts, and Managing Material Risks and Opportunities

The company tracks the number of approved suppliers in the internal purchasing system to ensure that all key suppliers have completed the qualification program and are part of systematic audit and follow-up processes. Indirectly, this supplier approval process tracks impacts on to workers in the upstream value chain, as a number of criteria for approval relates to whether the supplier provides decent working conditions and safeguards their human rights. By leveraging our purchasing power, Solstad aims to guide suppliers towards sustainability.

The Solstad supplier approval process consists of an extensive self-assessment process where the suppliers will need to report on a range of business-critical processes including Sustainability matters. The reporting is done electronically in a web-form system and all-important parameters are given a score that are then compared to threshold values to visualize ion a traffic light system if the values are acceptable or not.

The key areas that the suppliers need to report on is:

- Quality Management
- Health and Safety Management
- Sustainability & Environmental
- Policies

All summarized score (weighted average of all input) is also considered. If a supplier for some reason does not comply with the Solstad requirements, deeper investigation is done to see if changes can be done at the supplier to improve or if not if another supplier that comply should be used.

The general Supplier Terms and Conditions can be found on Solstad's web page here: www.solstad.com/procurement/

The company has not set other specific targets for value chain workers related to reducing negative impacts on value chain workers, advancing positive impacts on value chain workers or managing material risks and opportunities related to value chain workers. However as mentioned in S2-2, Solstad aim to strengthen the process to engage more directly with value chain workers on these topics over the next 1-2 years.

Reporting

Every year, the company disclose statements signed by the CEO and Chairman of the Board related to the Norwegian "Transparency Act" and the UK "Modern Slavery Act". These publicly accessible statements detail's the company's actions on these topics during the reporting year, including the due diligence outcomes and any reportable cases. For more information, please visit: www.solstad.com/investors/corporate-social-governance/

Governance Information

ESRS G1 - Business Conduct

ESRS 2 GOV-1 – The Role of the Administrative, Management and Supervisory Bodies

Proper business conduct is fundamental for Solstad's effective operations and is assessed as a key sustainability matter where the company may be exposed to risks. The responsibility for ensuring good business conduct is thus handled by Executive Management and the Board according to the company's Code of Conduct, which emphasizes integrity, transparency, and accountability. Executive Management and the Board are responsible for fostering a working culture that upholds these principles. The Code of Conduct is mandatory for all employees to follow and is available through the SIMS system. It outlines expected behaviours and practices, emphasizes compliance with laws and regulations, fair treatment of all stakeholders, and ethical decision-making. Additionally, Executive Management promotes open communication, empowering employees to report unethical behaviour without fear of retaliation. Regular training and reinforcement of these principles are crucial for consistently upholding the company's values, building trust with its stakeholders, maintain a positive reputation, and achieve long-term success.

The company has established a dedicated position in the Finance department for the handling of legal- and whistle-blower issues, processes related to business conduct and reporting. Any reported issues or breaches of the company's business conduct or ethical policies are reported to the CEO/CFO for further processing and then to the Sustainability Director for the attention of the Audit Committee in the next scheduled meeting. Solstad uses external investigators when necessary for challenging internal investigations. Management decides the outcome of such investigations and informs the Audit Committee accordingly.

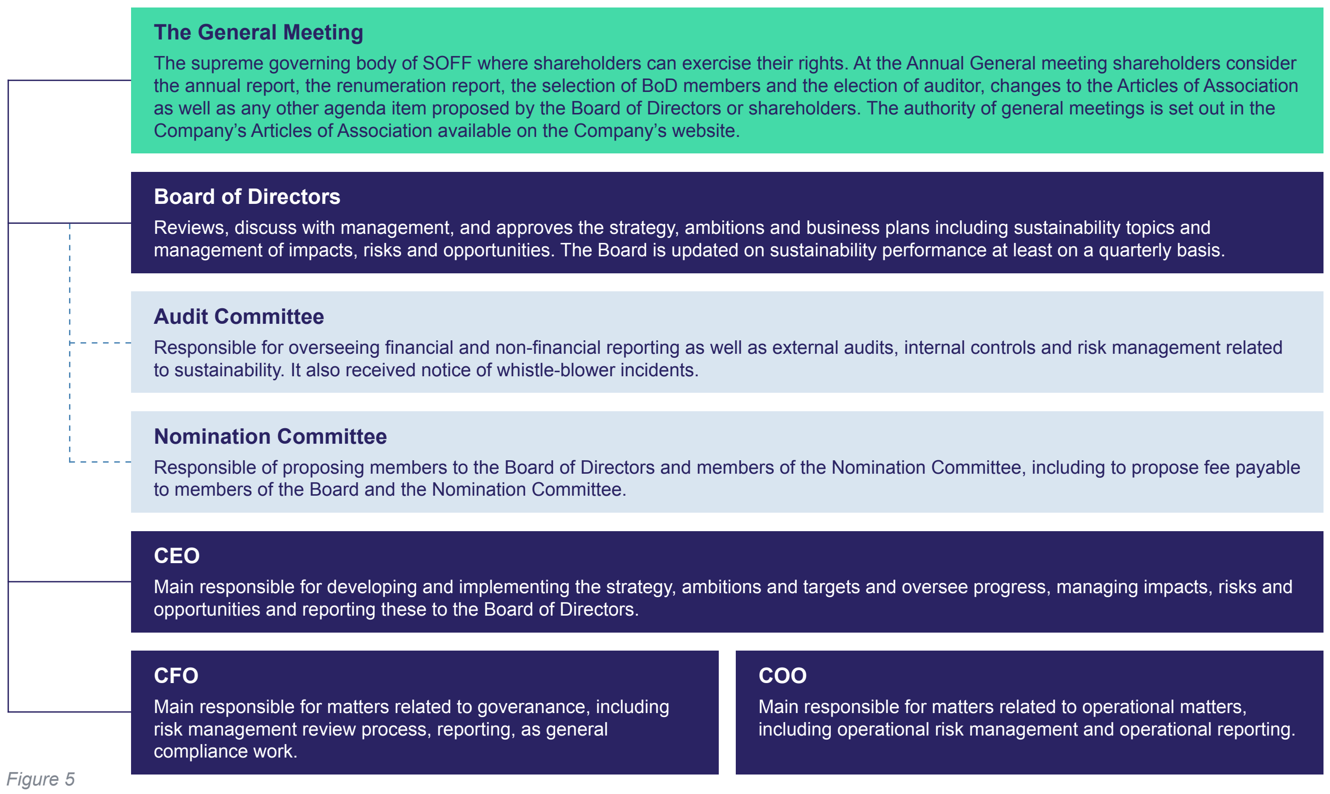


Figure 5

The Board of Directors have signed and implemented the company's Board "Rules of procedures" regulating the Board's roles and responsibilities and the Solstad "Code of Conduct".

SOFF is audited annually by internal resources and externally by DNV on its policies, processes, records and other relevant documentation to verify compliance with all relevant rules and regulations. Any deviations leads to Non-Conformities or Observations that are registered in the company's HSE system together with a correction plan for follow up and a deadline for this.

ESRS 2 IRO-1 – Description of the Processes to Identify and Assess Material Impacts, Risks and Opportunities

In identifying and assessing material impacts, risks and opportunities within the topic of business conduct, Solstad has considered all its activities and services across different service sectors, locations and geographies. Some of the company's operations and offices are located in areas more exposed to breaches of business ethics and other business conduct matters, such as Brazil where Solstad carries out large operations, as well as countries in West-Africa where vessels operate occasionally.

The sub-topic "Corruption and bribery", the sub-sub-topics "Prevention and detection of corruption and training" and "Incidents" were identified as material.

Solstad recognizes that corporate culture significantly impacts employees, business partners, suppliers, and other stakeholders. A positive corporate culture enhances job satisfaction, employee retention, and productivity, while a negative culture can lead to low morale, disengagement, and potential violations of labour standards.

Consistent positive feedback from employee surveys suggests a low likelihood of these negative impacts. However, If unethical behaviour were tolerated, there could be breaches of labour laws, harassment, or discrimination. Additionally, a negative culture could harm relationships with suppliers and business partners, potentially reducing collaboration, trust, and reputational standing in the industry. Therefore, fostering ethical practices and respectful partnerships is crucial for strong, productive relationships with all stakeholders. From this perspective, the topic is also considered material

Solstad influences its corporate culture through leadership and by setting expectations and requirements. This is achieved by implementing and enforcing visions, policies, processes, guidelines, and practices. Regular training and development programs help employees stay current on best practices and enhance their skills and knowledge, fostering a culture of continuous improvement.

Some of the company's activities may be exposed to heightened risk of corruption and bribery, particularly in upstream purchasing/sourcing activities and downstream operations in regions where the prevalence of corruption risks is higher. Although historic incidents are rare, the potential consequences are serious and can impact Solstad's integrity and decision-making processes. Incidents of corruption and bribery could lead to reputational damage, eroding trust and business opportunities, or legal consequences, including fines, penalties and lawsuits for anti-corruption violations. Given the company's size and geographical reach, some risk remains, but with a low likelihood. Due to the potential severity of these risks, the issue is considered material.

Solstad mitigates these risks by implementing, promoting, monitoring, and enforcing strong anti-corruption policies in all activities and operations. This is done through the established Code of Conduct and Supplier Code of Conduct, regular supplier audits, whistleblower mechanisms, and promoting of transparency in reporting.

G1-1– Corporate Culture and Business Conduct Policies and Corporate Culture

For decades, Solstad has cultivated a strong culture rooted in core values, policies, ethical standards, and principles of business conduct. At the heart of this culture are our foundational values: safety, reliability, competence, and responsibility. These guiding principles are essential in fostering a unified and resilient company culture. The company values are used in documents, company presentations and other material to ensure this is read and understood by all and show their importance to the company.

All measures and actions described in this DR is covered by policies and processes in the company's management system such as the Code of Conduct statement, Company Philosophy, Objectives and Strategy policy, Sustainability policy and supporting processes. The relevant departments have implemented processes in in SIMS and follow up accordingly to address and manage relevant material, risks and opportunities (HSEQ: Internal control, HR/Crewing: Own employees, Purchase: Suppliers, Chartering/Operations: clients/contracts, Finance: Internal control and legal follow up etc).

To ensure that the administration gets feedback on the implementation of the company culture, an evaluation is mandatory for all employees as part of the annual appraisal process. Furthermore, every two years an employee survey is conducted to get more targeted information on the company culture and how the company's values and standards are understood by our employees. Every year, management meetings (company conference) are arranged with senior vessel Management and Management onshore to discuss any issues related to culture and to communicate expectations. A structured follow-up plan is made based on findings and discussions and later made available for all participants. Stakeholders such as key suppliers and clients are asked for feedback on the company's performance and any unlawful behaviour including business conducts primarily through dialogue meetings at least annually.

Relevant for Business Conduct the company has implemented a "Anti-Bribery, Corruption, Fraud and Whistle Blower Policy" consistent with the UN Convention against Corruption. The purpose of this policy is to ensure a non-tolerance for any type of bribery, corruption, fraud and other criminal or unethical behaviour in the company. All Solstad employees are kept accountable for behaviour in such manner both officially and private. Dedicated posters have been made to highlight the company's zero tolerance against corruption and bribery. These posters are displayed at key locations and vessels.

The "Code of Conduct" statements in SIMS (approved by the Board) is an ethical guideline and apply to Board Members, Management and employees of the Solstad Group. It is the individual manager's responsibility to ensure that these guidelines are known and followed. Individual employees are bound to follow and maintain the Company's ethical guidelines. The Company values and the company's Business Conduct expectations are important parts of the company induction courses that is mandatory for all employees and other key stakeholders.

Solstad considers almost all employees to be at risk when it comes to corruption, bribery or ethical dilemmas. Hence, the training is mandatory for all employees. The Board of Directors have not yet been covered by these requirements, but they are covered by our "rules of procedures" and have signed our Code of Conduct.

Functions with a commercial/employment role are considered as "high risk functions". These are: Captain/ Chief Engineers on the vessels, Chartering, Operations. Purchasing, Technical, Crewing and Executive managers in the onshore organisations.

In addition, the company has a "Marine Mammals Avoidance" process for vessel bridge crew to mitigate the risk of harming marine mammals when operating in certain areas where this is considered high risk.

All Solstad employees create an individual competency development plan, in cooperation with their immediate leader. The competency development plan is assessed and revised during the annual performance review. E-learnings on sustainability topics is mandatory for all employees. Solstad has a development team devoted to developing internal e-learning courses for specific topics, such as Sustainability, Anti-corruption, sanctions, cyber security, among others.

The total number of employees and other own workers at-risk function in the SOFF scope is estimated to be 800 FTE. This includes onshore support organisation in Brazil, marine crew on the SOFF vessels (14) and other own employees onboard the SOFF vessels (mainly Omega Subsea employees).

The Anti-Corruption and bribery e-learning course takes about 15 minutes to complete and is mandatory for all employees and other workers including managers and executive management (however board members are not enrolled in this course).

All that these employees have at least received one training invitation and about 90% have completed training by YE 2024. The course needs to be refreshed by all yearly.

Topics covered in the course is: "Definition of corruption", "Policy", "Procedures and Suspicion/Detection", and "Dilemma training".

G1-3 – Prevention and Detection of Corruption and Bribery

Solstad has implemented policies and processes to prevent, detect and address allegations of corruption and bribery. Training of all employees is provided to ensure all understand what corruption and bribery means for us. These procedures are mandatory both for crew and onshore employees and applies worldwide. It describes what is considered corruption and bribery, where it applies (business area/department), training required, record keeping and management reporting. The company's Group Compliance officer and the Administration and Communication Director are responsible for these processes.

The company has implemented a range of processes and procedures to prevent and detect incidents on corruption and bribery. Examples include restricted access to relevant ICT systems (depending on role), Power of Attorney implemented on all purchases to ensure that at least two people approve, contract approvals require at least two approvals, internal control on accounting/finance, wages payment and the employment processes are separated processes on HR etc. There is also a Risk assessment system available for all that may be used when needed.

The company's main channel for receiving claims about corruption and bribery is the Whistle-blower channel. See section S1-3 for further description.

Any cases found to be real are reported to the Board in the quarterly Audit Committee meetings (number of cases and a brief explanation on the cases).

The training is based on a mandatory e-learning course that is made internally to ensure that the content is relevant to our employees. It is updated and revised as needed. The training includes a background/context part including information on Solstad in a global perspective, review of Solstad's policies and SIMS processes, dilemma training and a test. An annual refresher e-learning course is also mandatory for all. As we consider the majority of employees to have functions at risk, we have set the training as mandatory to everyone. It is not mandatory for Board Members or external stakeholders.

Metrics and targets

ESRS 2 MDR-A

The company is continually enhancing its policies and processes to address material impacts, risks, and opportunities related to corruption and bribery. Serious allegations and incidents are followed up by an action plan detailing necessary resources, timelines,, and cost estimates for both internal and external follow-up work. Post-incident, the management system's effectiveness is evaluated, and the need for additional training or other measures is considered.

Throughout the reporting year, efforts have been strengthened by establishing a Legal position within the Finance department. This position has the overall responsibility for following up any issues related corruption and bribery, supported by key personnel in Solstad and the external layer resources.

There have been no significant costs related to corruption and bribery during the reporting year.

G1-4 – Confirmed Incidents of Corruption or Bribery

During the reporting year there have not been any confirmed corruption or bribery incidents in the company's own operations or in the company's value chain where our employees are directly involved.

Appendix

Appendix A

Table 40

	Topic	Material Sub-Topic	Material Sub-sub-topics	Disclosure Requirements in topical standard All	Disclosure Requirements for each Sub-Topic covering Policies, Actions or Targets	Disclosure Requirements for each Sub-Topic covering Metrics	Phase-in (< 750 FTE)	Disclosure Requirements Omitted by Solstad due to "phase in" or "not material"
ESRS 1	General Disclosures	Basis for preparation Governance Strategy IRO Metrics and Targets	Climate change adaptation	BP-1-2, GOV-1-5, SBM-1-3, IRO-1-2, MDR-P, MDR-A, MDR-M, MDR-T			SBM-3 § 48(e)	SBM-3 § 48(e) (phase in)
E1	Climate change	Climate change adaptation		E1-1 to 9	E1-2, E1-3, E1-4		E1-6, E1-9	E1-9 (phase in)
		Climate change mitigation				E1-1, E1-5, E1-6, E1-7, E1-8, E1-9		
		Energy				E1-5, E1-9		
E2	Pollution	Pollution of air	Climate change mitigation	E2-1 to 6	E2-1, E2-2, E2-3	E2-4, E2-6	E2-6	E2-5 (not material) E2-6 (phase in)
E3	Water and marine resources	Not material	Not material	E3-1 to 5	E3-1, E3-2, E3-3	E3-4, E3-5	E3-5	All (not material)
E4	Biodiversity and ecosystems	Not material	Not material	E4-1 to 6	E4-2, E4-3, E4-4	E4-1, E4-5, E4-6	All	All (phase-in)
E5	Circular economy	Not material	Not material	E5-1 to 6	E5-1, E5-2, E5-3	E5-5, E5-6	E5-6	All (not material)

	Topic	Material Sub-Topic	Material Sub-sub-topics	Disclosure Requirements in topical standard All	Disclosure Requirements for each Sub-Topic covering Policies, Actions or Targets	Disclosure Requirements for each Sub-Topic covering Metrics	Phase-in (< 750 FTE)	Disclosure Requirements Omitted by Solstad due to "phase in" or "not material"
S1	Own workforce	Working Conditions	Health and safety	S1-1 to 17	S1-1, S1-2, S1-3, S1-4, S1-5	S1-6, S1-7, S1-8, S1-10, S1-11, S1-14, S1-15, S1-17	All	S1-8 (not material) S1-9 (not material) S1-10 (not material) S1-11 (not material) S1-12 (not material) S1-13 (not material) S1-15 (not material)
		Equal treatment and opportunities for all				S1-6, S1-7, S1-9, S1-12, S1-13, S1-16, S1-17		
S1	Workers in the value chain	Working Conditions	Adequate wages	S2-1 to 5	S2-1, S2-4, S2-5	S2-2, S2-3	All	None
			Health and safety					
S3	Affected communities	Not material	Not material	S3-1 to 5	S3-1, S3-2, S3-4, S3-5	S3-3	All	All (not material)
S4	Consumers and end users	Not material	Not material	S4-1 to 5	S4-1, S4-4, S4-5	S4-2, S4-3	All	All (not material)
G1	Business conduct	Corruption and bribery	Prevention and detection including training	G1-1 to 6	G1-1	G1-3, G1-4	None	G1-2 (not material) G1-5 (not material) G1-6 (not material)
			Incidents					

Appendix B

List of datapoints in cross-cutting and topical standards that derive from other EU legislation

Table 41

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	p. 33		p. 33	
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)			p. 33	
ESRS 2 GOV-4 Statement on due diligence paragraph 30	p. 35			
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	p. 37	p. 37	p. 37	
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	p. 37		p. 37	
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	p. 37		p. 37	
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			p. 37	
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14				p. 63
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		p. 63	p. 63	
ESRS E1-4 GHG emission reduction targets paragraph 34	p. 71	p. 71	p. 71	
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	p. 74			
ESRS E1-5 Energy consumption and mix paragraph 37	p. 74			
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	p. 74			
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	p. 74	p. 74	p. 74	
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	p. 74	p. 74	p. 74	
ESRS E1-7 GHG removals and carbon credits paragraph 56				Nothing to report
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66			Material - Phase-in	
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a) ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c).		Material - Phase-in		
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c).		Material - Phase-in		
ESRS E1-9 Degree of exposure of the portfolio to climate- related opportunities paragraph 69			Material - Phase-in	
ESRS E2-4 Amount of each pollutant listed in Annex II of the E- PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	p. 82			
ESRS E3-1 Water and marine resources paragraph 9	Not material			
ESRS E3-1 Dedicated policy paragraph 13	Not material			
ESRS E3-1 Sustainable oceans and seas paragraph 14	Not material			
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	Not material			
ESRS E3-4 Total water consumption in m3 per net revenue on own operations paragraph 29	Not material			
ESRS 2 - SBM 3 - E4 paragraph 16 (a) i	p. 83			
ESRS 2 - SBM 3 - E4 paragraph 16 (b)	p. 83			
ESRS 2 - SBM 3 - E4 paragraph 16 (c)	p. 83			
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	Material - Phase-in			
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	Material - Phase-in			
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	Material - Phase-in			
ESRS E5-5 Non-recycled waste paragraph 37 (d)	Not material			
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	Not material			
ESRS 2- SBM3 - S1 Risk of incidents of forced labour paragraph 14 (f)	p. 84			

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference
ESRS 2- SBM3 - S1 Risk of incidents of child labour paragraph 14 (g)	p. 84			
ESRS S1-1 Human rights policy commitments paragraph 20	p. 86			
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21			p. 86	
ESRS S1-1 processes and measures for preventing trafficking in human beings paragraph 22	p. 86			
ESRS S1-1 workplace accident prevention policy or management system paragraph 23	p.86			
ESRS S1-3grievance/complaints handling mechanisms paragraph 32 (c)	p. 88			
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	p. 93		p. 93	
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	p. 93			
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	Material - Phase-in		Material - Phase-in	
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	Material - Phase-in			
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	p. 93			
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD Guidelines paragraph 104 (a)	p. 93		p. 93	
ESRS 2- SBM3 – S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	p. 95			
ESRS S2-1 Human rights policy commitments paragraph 17	p. 96			
ESRS S2-1 Policies related to value chain workers paragraph 18	p. 96			
ESRS S2-1 Non- respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	p. 96		p. 96	
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19			p. 96	
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	p. 98			
ESRS S3-1 Human rights policy commitments paragraph 16	Not material			

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference
ESRS S3-1 non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines paragraph 17	Not material		Not material	
ESRS S3-4 Human rights issues and incidents paragraph 36	Not material			
ESRS S4-1 Policies related to consumers and end-users paragraph 16	Not material			
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	Not material		Not material	
ESRS S4-4 Human rights issues and incidents paragraph 35	Not material			
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	p. 101			
ESRS G1-1 Protection of whistle-blowers paragraph 10 (d)	p. 101			
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	p. 103		p. 103	
ESRS G1-4 Standards of anti- corruption and anti-bribery paragraph 24 (b)	p. 103			

Corporate Governance

The Board of Directors (the "Board") of Solstad Offshore ASA ("Solstad" or "the Company") is responsible for ensuring that the Company is organized, managed and controlled in an appropriate manner in compliance with applicable laws and regulations. It is the Board of Directors' view that compliance with generally accepted corporate governance guidelines is important as it contributes towards reduced risk, desired conduct, and fair treatment of all stakeholders.

The Board of Directors therefore considers compliance with generally accepted corporate governance guidelines as an important prerequisite for long-term value creation. The company strives to ensure that its internal control mechanisms, organisation and management structures comply with good corporate governance principles.

Solstad seeks to comply with the Norwegian Code of Practice for Corporate Governance the "Corporate Governance Code" or "the Code"), last revised 14 October 2021, which is available at the Norwegian Corporate Governance Committee's website www.nues.no. The principal purpose of the Corporate Governance Code is to ensure (i) that listed companies implement corporate governance that clarifies the respective roles of shareholders, the board of directors and executive management more comprehensively than what is required by legislation and (ii) effective management and control over activities with the aim of securing the greatest possible value creation over time in the best interest of companies, shareholders, employees and other parties concerned.

The following statement explains how Solstad addresses the 15 topics defined in the Corporate Governance Code.

1. Implementation and Reporting

The Board is aware of its responsibility for implementation of internal procedures and regulations to ensure that the Company and its subsidiaries comply with applicable principles for good corporate governance in line with Norwegian and applicable international standards. Good corporate governance is an integral part of the decision-making process in matters dealt with by the Board. Governing structures and controls help to ensure that the policy is enacted upon. The work of the Board of Directors is based on defined division of roles and responsibilities between the shareholders, the Board and management. Solstad has implemented specific set of rules and procedures for the Board of Directors, constituting the governance structure and administrative procedures for their work.

According to Solstad's own evaluation, the Company deviates from the Corporate Governance Code on the following points:

- Section 6: Solstad deviates from the recommendation to have all Board members present at the General Meeting as the company deemed it satisfactory to require the presence of the chairperson of the Board, the chairperson of the nomination committee, the auditor, and the CEO. Solstad also deviates from the recommendation to establish routines for appointment of an independent person to chair the General Meeting, however the General Meeting's agenda allows shareholders to nominate an independent chair.
- Section 14: Due to the unpredictable nature of a take-over situation, the Company has decided not to implement detailed guidelines on take-over situations. In the event of a take-over, the board of directors will consider the relevant recommendations in the Corporate Governance Code and whether the situation entails that the recommendations in the Corporate Governance Code can be complied with or not. In a potential bid-situation, the Board of Directors will work to inform shareholders and allow time to decide on the offer. Furthermore, the Board of Directors will issue a statement to the shareholders with an assessment of the bid and a recommendation of whether to accept it or not.

2. Business

Solstad is an owner and operator of high-end offshore service vessels (OSVs), offering maritime services to the global offshore oil and gas and renewable energy industries. Solstad is a public limited liability company organized under the laws of Norway and subject to the provisions of the Norwegian Public Limited Liability Companies Act.

The Company's objective, as defined in its Articles of Association, is shipping activities and any other associated business, including the ownership of shares and stakes in companies engaged in corresponding or related business activities.

Solstad's operations are based on cross border trade, and interaction with people from many countries and different cultures. The Company aims to be a socially responsible operator and partner wherever it conducts its business. It has adopted guidelines for corporate social responsibility ("CSR"), based on the principles of the UN Global Compact about CSR related to human rights, labour rights, social concern, environment and climate issues, and anti-corruption.

In addition, Solstad annually includes a Sustainability Statement where it presents the main environmental, social and societal (ESG), challenges the Company faces, and how it approaches them. The defined material topics and ESG priorities are integrated with the company's business strategy, and specific goals have been identified to improve Solstad's performance within these areas.

To discuss and evaluate goals, strategy and risk profile, the Board of Directors conducts an annual strategy meeting, where the main purpose is to set the long-term direction for the company.

A further description of Solstad's operations, goals, strategy, and risk profile is provided in the Company's annual report, which shows how its operations and strategies are aligned with objectives defined in the Articles of Association.

3. Equity and Dividends

The Company's solidity is continuously assessed. At year-end 2024, the Company's equity amounted to MNOK 3,243 and total assets were MNOK 8,956 – providing an equity-to-asset ratio of 36 percent.

The Annual General Meeting determines the annual dividend, based on the Board of Directors' proposal. The Company will not pay dividends for the 2024 financial year.

At the Annual General Meeting, held on 30 May 2024, no authorization was given to the Board of Directors to increase the Company's share capital.

4.Equal Treatment of Shareholders

Equal treatment of all shareholders of Solstad Offshore ASA is a core governance principle. Solstad has one class of shares and is listed on Oslo Stock Exchange under the ticker "SOFF". All shares have equal rights, and each share carries one vote at the General Meeting.

In situations where normal preferential rights shall be deviated from, the Company's Board of Directors is proposed to prepare grounds for such a decision in accordance with the Norwegian Code of Practice for Corporate Governance and shall present these to the General Meeting.

An authorization to the Board of Directors to acquire treasury shares is normally contingent to take place at Oslo Stock Exchange.

5. Shares and Negotiability

All shares in Solstad Offshore ASA are freely tradable. The Company's Articles of Association set no limitations on transactions.

6. General Meeting

The interest of the Company's shareholders is exercised at the General Meetings. The Annual General Meeting is normally held in the month of May or June. The 2025 Annual General Meeting is scheduled for 15 May 2025. All shareholders with known address registered in the Norwegian Central Securities Depository (VPS) will receive an invitation to the General Meeting. According to the Articles of Association, the notice and related documents should be posted on the Company's website and www.newsweb.no no later than three weeks in advance. The Company endeavours to ensure that the documents contain all necessary information to enable shareholders to vote on all matters. In line with article 7 of Solstad's

Articles of Association, shareholders should register their attendance at least two workdays prior to the General Meeting.

The Chairperson of the Board of Directors and chairperson of the Nomination Committee take part in the General Meeting, as does the Company's Auditor. Board members participate at the General Meetings when specifically required. Solstad has not deemed it necessary to require the presence of all members of the Board of Directors at the General Meeting.

The Chairperson of the Board opens the General Meeting. The General Meeting elects a person to chair the meeting. Normally the chairperson of Solstad Offshore ASA is nominated to chair the General Meeting, however the General Meeting's agenda allows shareholders to nominate an independent chair. In case particular items on the agenda require such measures, the Board of Directors will also consider nominating an independent chairperson to lead the General Meeting.

Shareholders who cannot attend the General Meeting, may be represented by proxy and the procedures for voting by proxy are described in the notice. The proxy authorization form is designed to allow shareholders to vote on individual items and individual candidates for election or re-election. The agenda is determined by the Board of Directors, according to article 6 of Solstad's Articles of Association. The minutes of the General Meeting are published as a Stock Exchange notice and on the Company's website.

7. Nomination Committee

The Articles of Associations states that the Company shall have a Nomination Committee of 2-3 members, the final number to be decided by the General Meeting.

The Nomination Committee shall propose candidates to the Board of Directors and to the Nomination Committee, and propose remuneration of the Board of Directors and members of the Nomination Committee. A justification for a new candidate up for election will include information on the candidate's competence, capacity and independence.

As part of its nomination process, the Nomination Committee has contact with major shareholders, the Board of Directors and the Company's executive management to ensure that the process takes both the Board of Directors' and the Company's needs into consideration.

The General Meeting will elect the members of the Nomination Committee, including the chairperson, set their remuneration, and set the guidelines for the committee's work.

The guidelines for Solstad's Nomination Committee stipulates that the majority of the committee should be independent of the Board of Directors and the Company's executive personnel. None of the members of the Nomination Committee should simultaneously be a member of the Company's day-to-day management or the Company's Board of Directors.

The current members of the Nomination Committee are Rune Lande (chair), Ingebret Hisdal and Owe Høines. The majority of the members are independent of the Board of Directors and the Company's executive management.

The guidelines for the Nomination Committee, and its contact details, are available on Solstad's website.

8. Board of Directors, Composition, and Independence

Pursuant to Solstad's Articles of Association, the company's Board of Directors shall consist of three to seven members. The current Board of Directors consists of five members, who have been elected by the General Meeting.

Solstad strives to ensure that the Board of Directors has a composition necessary to safeguard the interest of the shareholders. The Board of Directors considers its composition to be diverse and competent with respect to expertise, capacity, gender and diversity adapted to the Company's objectives, main challenges and the common interest of all shareholders. The Board of Directors emphasizes the importance of efficiency as a collegial body. The Board of Directors consists of three men and two women.

The Board should be composed of Directors who act independently of special interests, and the majority of the Directors should be independent of any major shareholder. As of 31 December 2024, Solstad's Board of Directors consists of Harald Espedal (chair), Ingrid Kylstad, Frank O. Reite, Ellen Solstad and Peder Sortland. The majority of the members of the Board of Directors are independent of the Company's executive personnel and material business contacts. Harald Espedal, Ingrid Kylstad and Peder Sortland are independent of the Company's large shareholders.

The Board of Directors does not include executive personnel.

The Chairperson of the Board of Directors is elected by the General Meeting.

Directors are elected for a two-year term. See the annual report for a presentation of the Directors.

As of 31 December 2024, three of the five Directors (Harald Espedal, indirectly, Ellen Solstad, indirectly and Frank O. Reite, indirectly) own shares in Solstad.

9. Work of the Board of Directors

The Board of Director has the overall responsibility to oversee the organization, operation and management of Solstad, whilst the CEO is responsible for day-to-day management. Both the Board of Directors and the CEO conduct their work through established procedures where responsibilities and administrative procedures are outlined. The procedures also state how the Board of Directors and Executive Management shall handle agreements with related parties, including whether an independent valuation must be obtained. The Board of Directors should also present any such agreements in their annual directors' report.

The rules and procedures describe how the board is responsible for reviewing and approving the organization's purpose, value or mission statements, strategies, policies and goals related to sustainable development, and delegate implementation of such matters to the company's management. The procedures also include stipulations to ensure that the company has the necessary due diligence and other processes in place to identify and manage its impacts on the economy, environment and people, and ensure that the management of the company engages with relevant stakeholders to support these processes. At least annually, the Board reviews the company's sustainability performance, including key performance indicators and priorities going forward.

The Company maintains rules to ensure that the Board of Directors and Executive Management report to the Board in case of any direct or indirect material interest in any contract signed by the Company. If the chairman of the Board of Directors is, or has been, personally involved in matters of a material character, the Board's consideration of such matters will be chaired by another member of the board.

In accordance with the Public Companies Act, Solstad has an Audit Committee that is elected by the Board of Directors. As of 31 December 2024, Solstad's Audit Committee consists of Frank O. Reite (chair), Ingrid Kylstad and Peder Sortland. All Audit Committee members are considered independent of the Company.

The Board of Directors has considered but not established a remuneration committee. Instead, the Board of Directors resolves matters relating to compensation paid to the executive personnel. As a large majority of the Board members are independent of the Company's executive personnel, it is the Board of Directors' view that it is a suitable body to help ensure a thorough and independent preparation of matters relating to compensation paid to the executive personnel.

The Board of Directors evaluates its own performance and expertise on an annual basis, including its performance in overseeing the management of the organization's impacts on the economy, environment and people. The evaluation is submitted to the Nomination Committee.

10. Risk Management and Internal Control

The Board of Directors seeks through its work to ensure that the Company maintains good standards and further improvements of internal control and appropriate systems of risk management, considering the scope and nature of the Company's business, and the provisions that govern the business. The Company has established a system of operation and administration that relies on work procedures and job descriptions. The system also covers social responsibility and ethical guidelines. There is a commitment to quality assurance. The Board of Directors receives information about operational, administrative, and financial developments in monthly reports. The Board reviews the corporate strategy and the business plan annually, including analysis of the Company's risk exposure. Exposure is monitored monthly through the reports from the Administration. Procedures for internal control is exercised according to the adopted guidelines and reviewed with the auditor and Board of Directors on an annual basis.

11. Remuneration of Directors

The remuneration of the Board of Directors is determined by the General Meeting, based on recommendation from the Nomination Committee. The recommendation is normally linked to the directors' responsibilities, competence and time commitment, taking the company's size and complexity into consideration. The remuneration is in line with comparable companies in the industry. The amounts involved are reported in the annual report.

The remuneration of the Board of Directors is not linked to the Company's performance. The directors do not have share options.

In cases where directors of the Board should undertake significant additional work for the Company, all directors will be informed and fees shall be approved by the Board of Directors. The fees are reported in the financial statements. All transactions between directors or employees (or companies that they represent or are associated with) on the one hand, and the Company on the other, are implemented in accordance with the arm's length doctrine.

12. Remuneration to Executive Management

The remuneration of the CEO is determined by the Board of Directors. The guidelines for remuneration of the Executive Management are presented to the General Meeting and remuneration guidelines can be found on the Company website. A Remuneration Report, which details remuneration figures and principles for the Company's Executive Management, is published on Solstad's website annually. Executive Management remuneration consists of three elements: Base salary, pension contribution, and variable pay – bonus.

The company's executive bonus system is designed to promote performance in line with the company's strategy. The variable salary is determined by the Company's performance on a pre-defined set of key performance indicators and is linked to the Company's priorities, defining clear deliverables that are critical for the company's future success. The final executive bonus outcome is specifically reserved as a matter for the Board of Directors. The variable salary is limited to a specific percentage share of the base salary.

13. Information and Communication

The Company has a policy of treating all shareholders and other market participants equally, communicating relevant information on significant developments of the Company´s business and standing in a timely manner.

All information distributed to the Company's shareholders, including financial reports, is published on Oslo Stock Exchange's website (www.newsweb.no) and the Company's website simultaneously. A financial calendar and other shareholder information is available on the Company's website.

The Board of Directors has established guidelines for the Company's contact with shareholders other than through general meetings. These guidelines – the "IR policy" – is available at Solstad's website.

The Company seeks to adhere to the Oslo Børs Code of Practice for Investor Relations.

14. Take-overs

The shares in the Company are freely tradable, and the Articles of Association do not hold specific defense mechanisms against take-over situations. In a potential bid-situation, the Board will work to inform Shareholders and allow time to decide on the offer. Furthermore, the Board will issue a statement to the shareholders with an assessment of the bid and a recommendation of whether to accept it or not.

15. Auditor

The Auditor of the Company is elected at the Annual General Meeting, which also approves the Auditor's remuneration. The Auditor sets out the highlights of the audit plan to the audit committee annually. The auditor also presents a report with its views and observations regarding the accounting principles, risk areas, internal control routines, and other aspects. Furthermore, the Auditor will each year deliver a written report to affirm its compliance with certain impartiality and objectivity standards. The Auditor attends Board Meetings to discuss the financial statements for the year and attends the Annual General Meeting.

Important consultancy work performed by the Auditor requires prior approval by the Board of Directors. The remuneration to the auditor is reported in the financial statements. Once a year, the Board of Directors meets with the Auditor for discussions without the CEO or other representatives from the administration present.

Statement on Compliance

Today, the Board of Directors and the CEO has issued the 2024 annual integrated report which includes the Board of Directors' report, the sustainability report and the consolidated and separate financial statements related to Solstad Offshore ASA as of 31 December 2024.

This statement is based on reports, information and statements from the Company's CEO, CFO and other administration, on the results of the group's relevant activities, and on other information which is essential to assess the position of the group and parent company.

To the best of our knowledge we confirm that;

- the Consolidated annual financial statements for 2024 have been prepared in accordance with IFRS Accounting Standards as adopted by the EU, and additional Norwegian disclosure requirements in the Norwegian Accounting Act
- the sustainability statements are prepared in compliance with the Norwegian Accounting Act chapter 2-3 including compliance with European Sustainability Reporting Standards (ESRS) and Article 8 of EU Regulation 2020/852 (the EU Taxonomy Regulation)
- the Board of Directors report gives a true and fair view of the development, performance, financial position, principle risks and uncertainties of the company and the group
- the information presented in the financial statements gives fair view of the Company's assets, liabilities, financial position and results for the period viewed in their entirety
- the Board of Directors report is in accordance with the Norwegian Accounting Act and relevant Norwegian Accounting Standards

Board of Directors in Solstad Offshore ASA
Skudeneshavn 1 April 2025

Harald Espedal Chairman	**Frank O. Reite** Director	**Peder Sortland** Director
Ingrid Kylstad Director	**Ellen Solstad** Director	**Lars Peder Solstad** CEO

Annual Accounts 2024

Consolidated Statement of Comprehensive Income

Amounts in NOK 1,000

	2024	2023	Note
Continuing operations			
Charter income	2,480,087	6,730,333	6
Other operating income	310,628	248,644	6
Total operating income	**2,790,715**	**6,978,977**	
Personnel expenses	-716,912	-1,592,920	12,13,21
Administrative expenses	-156,240	-762,330	
Other operating expenses	-568,645	-1,817,179	12
Operating expenses	**-1,441,797**	**-4,172,429**	
Net gain/-loss on sale of assets	31,133	517,567	6,9
Operating result before depreciation and impairment	**1,380,051**	**3,324,115**	
Depreciation	-818,037	-918,101	9,10
Depreciation capitalised periodic maintenance	-44,991	-185,174	9
Impairment and reversal of impairment	528,561	-296,983	9,10
Operating result	**1,045,584**	**1 923 858**	
Income from investments in associates	600,234	-4 824	15
Income from investment in joint ventures	90,482	19 935	15
Interest income	79,110	131,700	11
Other financial income	184,400	2,400	11
Interest charges	-569,890	-1,683,318	11
Other financial expenses	-77,215	-44,771	11
Net financial items	**307,121**	**-1 578 879**	
Result before taxes from continuing operations	**1,352,705**	**344,979**	
Tax on result	-48,754	-56,641	20
Net result from continuing operations	**1,303,951**	**288,337**	
Discontinued operations			
Net result from discontinued operations	-	118,799	4
Net result	**1,303,951**	**407,136**	
Comprehensive income:			
Translation adjustments foreign currency	109,599	-348,547	
Comprehensive income that may be reclassified in subsequent periods	**109,599**	**-348,547**	
Actuarial gain /(loss)	-	-1,272	21
Comprehensive income that may not be reclassified in subsequent periods	**-**	**-1,272**	
Total comprehensive income	**1,413,550**	**57,317**	

	2024	2023	Note
Net result of continued operations attributable to:			
Non-controlling interests	31,749	3,186	
Equity holders of the parent	1,272,201	285,152	
Net result of discontinued operations attributable to:			
Non-controlling interests	-	3,521	
Equity holders of the parent	-	115,278	
Comprehensive income attributable to:			
Non-controlling interests	31,021	6,707	
Equity holders of the parent	1,382,529	50,610	
Comprehensive income	**1,413,550**	**57,317**	
Earning per share for continuing operations (basic and diluted) - majority (NOK)	15.45	3.64	18
Earning per share for discontinuing operations (basic and diluted) - majority (NOK)	-	1.47	18

Consolidated Statement of Financial Position

Amounts in NOK 1,000

ASSETS	2024	2023	Note
Non-current assets			
Deferred tax assets	-	2,117	20
Vessels	1,285,220	1,180,806	9
Right-of use-assets	3,398,149	2,789,345	10
Capitalized periodic maintenance	161,220	116,737	9
Other tangible fixed assets	13,385	17,709	9
Investment in joint ventures	252,848	188,655	15
Loans to associates and joint ventures	67,672	63,141	19
Investments in associates	2,300,278	581	15
Investments in shares	-	-	15
Non-current receivables	37,695	32,179	25
Total non-current assets	**7,516,468**	**4,391,271**	
Current assets			
Inventory	27,087	23,095	27
Account receivables	750,653	613,735	7,26
Contract assets	-	18,310	7,26
Other current receivables	247,115	229,906	26
Market based shares	-	-	15
Cash and cash equivalents	381,835	501,014	7,22
Total current assets	**1,406,691**	**1,386,060**	
Assets held for sale	**58,737**	**13,858,010**	**5,9**
TOTAL ASSETS	**8,981,895**	**19,635,341**	

EQUITY AND LIABILITIES	2024	2023	Note
Equity			
Paid-in equity			
Share capital (82,346,796 a 1,-)	82,347	82,347	17
Share premium	189,457	189,457	
Total paid-in equity	**271,804**	**271,804**	
Retained earnings			
Other equity	2,937,956	1,555,427	
Total retained equity	**2,937,956**	**1,555,427**	
Non-controlling interests	58,851	-2,680	15
Total equity	**3,268,610**	**1,824,550**	
Liabilities			
Non-current liabilities			
Deferred tax	10,342	-	20
Pension liabilities	-	5,158	21
Other financial liabilities	1,077	1,121	
Interest bearing liabilities	1,502,136	630,587	7,8
Leasing liabilities	2,534,443	1,795,630	7,8,10
Other non-current liabilities	-	1,046	8
Total non-current liabilities	**4,047,998**	**2,433,542**	
Current liabilities			
Accounts payable	201,925	138,762	7
Taxes payable	29,469	24,715	20
Contract liabilities	-	-	28
Current interest bearing liabilities	276,782	11,380,520	7,8
Current leasing liabilities	697,377	1,965,474	7,8,10
Other current liabilities	459,733	383,963	28
Total current liabilities	**1,665,287**	**13,893,433**	
Liabilities directly associated with the assets held for sale	**-**	**1,483,816**	
Total liabilities	**5,713,285**	**17,810,791**	
TOTAL EQUITY AND LIABILITIES	**8,981,895**	**19,635,341**	

Harald Espedal
Chairman

Frank O. Reite
Director

Peder Sortland
Director

Ingrid Kylstad
Director

Ellen Solstad
Director

Lars Peder Solstad
CEO

Consolidated Statement of Changes in Equity

Amounts in NOK 1,000

	Share capital	Share premium	Translation adjustments	Other equity	Total majority shares	Non-controlling interests	Total equity	Note
Equity 01.01.2024	**82,347**	**189,457**	**379,598**	**1,175,829**	**1,827,231**	**-2,680**	**1,824,550**	
Result	-	-	-	1,272,201	1,272,201	31,749	1,303,951	18
Actuarial gain/ loss (-)	-	-	-	-	-	-	-	21
Translation adjustment associates and joint ventures	-	-	-58,741	-	-58,741	-	-58,741	
Translation adjustments	-	-	169,069	-	169,069	-728	168,340	
Deconsolidation	-	-	-301,993	301,993	-	-	-	
Total comprehensive income	**-**	**-**	**-191,665**	**1,574,194**	**1,382,529**	**31,021**	**1,413,550**	
Minority share deconsolidation	-	-	-	-	-	30,510	30,510	15
Equity 31.12.2024	**82,347**	**189,457**	**187,932**	**2,750,023**	**3,209,760**	**58,851**	**3,268,610**	
Equity 01.01.2023	**77,309**	**180,387**	**728,145**	**776,672**	**1,762,512**	**-9,387**	**1,753,125**	
Result	-	-	-	400,430	400,430	6,707	407,136	18
Actuarial gain/ loss (-)	-	-	-	-1,272	-1,272	-	-1,272	21
Translation adjustments	-	-	- 348,547	-	- 348,547	-	- 348,547	
Total comprehensive income	**-**	**-**	**- 348,547**	**399,157**	**50,610**	**6,707**	**57,317**	
Capital increase private placement	5,038	9,070	-	-	14,108	-	14,108	17
Equity 31.12.2023	**82,347**	**189,457**	**379,598**	**1,175,829**	**1,827,231**	**- 2,680**	**1,824,550**	

Retained earnings is included in Other equity.

Consolidated Statement of Cash Flow

Amounts in NOK 1,000

	2024	2023	Note
Cash flow from operations			
Result before tax from continuing operations	**1,352,705**	**344,979**	
Result before tax from discontinuing operations	**-**	**121,572**	
Taxes payable	-27,567	-93,072	20
Depreciation, impairments, and reversal of impairments	334,467	838,672	9,10
Gain (-)/ loss non-current assets	-721,850	-526,686	9,15
Interest income	-79,110	-131,394	
Interest expense	569,890	2,034,452	
Non-cash refinance effects	-1,046	-4,392	
Effect of change in pension assets	-	-2,427	
Unrealised currency gain/ -loss	-6,515	156,948	
Change in current receivables and payables	-77,747	-366,472	
Change in other accruals	-352,224	303,399	
Net cash flow from operations	**991,003**	**2,675,578**	
Cash flow from investments			
Investment in PP&E	-13,997	-106,033	9
Payment of periodic maintenance	-67,668	-524,289	9
Proceeds from sale of PP&E (vessels)	345	7,213,025	4,9
Receipt of non-current receivables	11,288,249	6,377	8
Received interests	79,110	131,394	
Removal/addition of cash related to deconsolidation/consolidation	-1,272,904	-	22
Investments in other shares/interests	-11,998	-79,995	15
Realized shares and interests	1,465	-	
Dividend received	63,454	-	
Net cash flow from investments	**10,066,056**	**6,640,479**	
Cash flow from financing			
Paid-in capital	-	14,108	
Lease interests paid	-255,755	-233,664	10
Lease instalments	-1,637,689	-148,075	10
Paid interests	-102,205	-1,152,457	8
Drawdown of long-term debt	1,095,412	-	8
Repayment of non-current debt	-11,636,175	-8,146,167	8
Net cash flow from financing	**-12,536,413**	**-9,666,255**	
Effect of changes in foreign exchange rates	-21,782	63,097	
Net change in cash and cash equivalents	-1,479,354	-350,198	
Cash and cash equivalents at 01.01	1,882,971	2,170,072	22
Cash and cash equivalents at balance sheet date	**381,835**	**1,882,971**	**22**

Notes

Notes to condensed statement of comprehensive income and statement of financial position. All figures in NOK 1,000 unless otherwise stated.

Note 1: Accounting Policies Information

Corporate Information

The Group, Solstad Offshore ASA (“Solstad Offshore”, “Solstad” or “the Company”), operates a shipping business from its head office in Nesavegen 39, 4280 Skudeneshavn, Norway. Its main activities are the operation of offshore service and construction vessels. The Group is listed on Oslo Stock Exchange.

Solstad Offshore ASA Group includes Solstad Offshore ASA, subsidiaries incorporated in several countries (see Note 14 for an overview of consolidated companies), and our share of investments in joint ventures and associates (see Note 15).

The agreement for refinancing of Solstad Offshore ASA announced on 23 October 2023 between Solstad Shipholding AS, Aker Capital AS, and AMSC ASA (the “Financing”) was completed on 16 January 2024. Solstad Maritime Holding AS group (Solstad Maritime) was deconsolidated and recognized as an associate from the same date. See note 2 and 3 for further information.

The financial statements were approved by the Board of Directors on 1 April 2025 and will be presented for approval by the Annual General Meeting.

Statement of Compliance and Basis for Preparation

The consolidated financial statements have been prepared in accordance with IFRS® Accounting Standards as adopted by the EU. The consolidated financial statements have been prepared on a historical cost basis, except for debt related to non-core vessels and shares that have been measured at fair value. The consolidated financial statement are presented in Norwegian Kroner (NOK).

Throughout the Notes all figures are stated in NOK thousand unless clearly stated otherwise.

Enumerated amounts presented in tables and statements may not always agree with the calculated sum of the related line item due to rounding differences. The aim is for each line item to agree with its source and therefore there may be rounding differences affecting the total when adding up the presented line items.

Going Concern

The annual accounts are prepared on the assumption of a going concern. The going concern assumption is based on the level of cash and cash equivalents and equity at reporting date, terms and conditions of the Refinancing agreement with banking and borrowing facilities, the forecasted cash flow prognosis for the Company and the backlog position as of 31 December 2024. The main portion of the Solstad Offshore’s external debt matures in 2027.

The Company has seen continued strengthening of the market during 2024. Furthermore, with an expected continued positive outlook in the energy market, and the high focus on energy transition, the Company also expects an active offshore marked in the coming period. Solstad experienced an increase in expenses due to inflation and increased interest expenses for the Company.

There is no significant uncertainty with respect to going concern.

Summary of Material Accounting Policies

Changes in Accounting Policies

The Group has not implemented any new accounting standards or otherwise made any significant changes to accounting policies during 2024.

The following updates were implemented:

- Amendments to IAS 7 Statement of Cash Flows
- Amendments to IFSR 7 Financial Instruments: Disclosures
- Amendments to IAS 1 Presentation of financial statements

The implementations of IAS 7 and IFRS 7 did not have any impact on the financial statements. The Group has adobted the amendments to IAS 1 Classification of liabilities as current or non-current and non-current liabilities with covenants for the first time in 2024. The amendements did not have any impact on the amounts recognized in the current or prior period, and are not expected to significantly affect future periods. Other changes to IFRS are not expected to have any significant impact on recognition and measurements.

Issued, not yet effective IFRS standards and amendments not yet implemented
IFRS standards and amendments not yet implemented may have an impact on the Group's financial reporting. IFRS 18 is assessed to have a significant impact on the financial statements. The other current updates and changes to the issued standards and amendments not yet implemented, have been assessed to currently not significantly impact the financial statement.

IFRS 18 Presentation and Disclosure in Financial Statements
IASB issued IFRS 18 in April 2024, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Entities are required to classify all income and expenses within one of the five categories operating, investing, financing, income taxes and discontinued.

The Group has made a early analysis of the effects, and there will be several reclassifications from current operating result and financing result to the new categories.

- Reclassification of income from associates and income from joint ventures from operating result and finance result into the new category investing.
- Parts of agio and disagio will be reclassified from financing result to operating and investing.
- Interest income from banks will be reclassified from financing to investing.

IFRS 18 also introduces management performance measures, which are subtotals of income and expense that an entity uses in public information outside of the financial statements. That will include the APM Adjusted EBITDA currently used by the Group. IFRS 18 requires an entity to disclose information related to how the MPM is measured, how it provides useful information and a reconciliation to the most comparable subtotal specified by IFRS 18.

The standard is effective from reporting periods on or after 1 January 2027. IFRS 18 will apply retrospectively.

Consolidation

The consolidated financial statements comprise of the financial statements of Solstad Offshore ASA and its subsidiaries as of 31 December each year. Any deviating accounting policies are adjusted for in this consolidation.

The Group accounts present the total profit or loss and each component of OCI and financial position of Solstad Offshore ASA and its subsidiaries as one. The consolidated accounts include companies in which Solstad Offshore ASA has control. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Generally, there is a presumption that ownership of more than 50 % of the voting shares results in control. Subsidiaries are consolidated 100 % line by line in the group accounts. Subsidiaries are consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group.

Acquisitions of business are accounted for using the acquisition method of accounting. The consideration transferred is measured at fair value at acquisition date. The purchase price is allocated to identifiable assets and liabilities from the subsidiary and is recognized at fair value in the consolidated accounts at the acquisition date.

All inter-company transactions, receivables, liabilities and unrealized profits, as well as intra-group profit distributions, are eliminated.

The non-controlling interest in equity is reported separately in the consolidated financial statements. The Group has chosen to use fair value on assets and liabilities for the initial recognition of non-controlling interests.

Investments in Associates and Joint Ventures

The Group's investment in its associates and joint ventures are accounted for under the equity method of accounting. An associate is an entity in which the Group has significant influence, but which is not a subsidiary. A joint venture is an entity in which the Group has joint control through entering into an agreement of joint control, requiring unanimous consent in strategic decisions (decisions relating to relevant activities).

The Group holds an interest in two joint ventures, Normand Installer SA and Omega Subsea Robotics AS, and one associate, Solstad Maritime Holding AS. The financial statements of the joint ventures and associates are prepared for the same reporting period as the Group. The accounting policies of the companies are aligned with those of the Group.

Investments in associates and joint ventures are recorded in the balance sheet at cost plus post-acquisition changes in the Group's share of net assets of the associate or joint venture, less any impairment in value. The profit or loss from investments in associates and joint ventures are presented as separate line items in the consolidated statement of comprehensive income as part of financial items. Changes recorded directly in the associates' or joint ventures' comprehensive income or equity, are recognized pro-rata in the Group accounts, and are, where applicable, presented in OCI or equity.

Non-Current Assets Held for Sale and Discontinued Operations

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

Property, plant and equipment and intangible assets are not depreciated or amortized once classified as held for sale. Assets and liabilities classified as held for sale are presented separately as current items in the statement of financial position. Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit or loss. Additional disclosures are provided in Note 4 Discontinued Operations. All other notes to the financial statements include amounts for continuing operations, unless indicated otherwise.

The Group has assessed that the sale of the subgroup Solstad Maritime Holding and its subsidiaries on 16 January 2024 was assessed to be held for sale as at 31 December 2023, however not as discontinued operations. See Note 2 for further information on key accounting matters.

Financial Assets

The Group's financial assets are trade receivables, lease receivables other current assets (such as contract assets), other non-current assets and cash and cash equivalents.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Groups' model for managing them. With the exception of trade receivables that do not contain a significant financing component, the entity initially measures its trade receivables at its fair value plus transaction costs. Trade receivables that do not contain a significant financing component are measured at the transaction price determined under IFRS 15.

The Group classifies its financial assets in two categories:

- Financial assets at amortized cost - all financial assets except for investments in shares
- Financial assets at fair value through profit or loss (FVTPL) - investments in shares

Impairment of Financial Assets
For trade and other receivables, lease receivables and other non-current assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime estimated credit losses (ECLs) at each reporting date, based on its historical credit loss experience. For specific customers a seperate assessment is performed if there are inicators of reduced value based on historical experience, current situation and expectations about future economic conditions.

Further disclosures relating to impairment of financial assets are also provided in Note 2 Significant judgements, Accounting Estimates and Assessments and Note 9 Property, Plant and Equipment.

Contract Assets
A contract asset is initially recognised for revenue earned from work performed where the receipt of consideration is conditional on successful completion or acceptance of the customer. Upon completion of the work and acceptance by the customer, the amount recognised as contract assets is reclassified to trade receivables.

Financial Liabilities
The Group initially recognizes financial liabilities at fair value less transaction cost, that are subsequently measured at amortized cost except for financial liabilities at fair value through profit or loss (FVTPL). Other financial liabilities are subsequently measured at amortized cost using the effective interest method. The Group has also had loan assessed to be below market interest rate at initial recognition. This loan was repaid on 16 January 2024. The difference has been recognized and amortized as interest expense over the period until maturity of the debt. Interest expense is recognized in profit or loss. Any gain or loss on derecognition is also recognized in the statement of profit or loss.

Derecognition of Financial Liabilities
The Group derecognizes a financial liability when its contractual obligations are discharged or cancelled or expired. The Group also derecognizes a financial liability when its terms are modified, and the cash flows of the modified liability are substantially different in which case a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount and the consideration paid is recognized in the statement of profit or loss.

Contract Liability
A contract liability is recognised if a payment is received, or a payment is due (whichever is earlier) from a customer before the Group transfers the related services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related services to the customer).

Classification of Items in the Balance Sheet
Current assets and current liabilities are items which mature within one year of the balance sheet date as well as any items relating to the normal operating cycle. The current portion of the non-current debt and other liabilities for which there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period are classified as current liabilities. Investments in shares, not considered as strategic, are classified as current assets. Cash and cash equivalents are classified as current assets, unless restricted from being used during the following 12 months. All other assets and liabilities are classified as non-current assets and liabilities.

Foreign Currency Translation
The functional currency for Solstad Offshore ASA and a significant part of the subsidiaries was changed from NOK to USD with effect from 1 January 2024, reference to Note 2 Significant Judgements, Accounting Estimates and Assessments for further details. The presentation currency for the Group is Norwegian Kroner (NOK). Transactions in foreign currencies are recorded at the currency rate on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange at the balance sheet date. Differences arising on settlement or translation of monetary items are recognized in profit or loss. Non-monetary items such as vessels that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of initial transaction.

Group Companies
On consolidation, assets and liabilities of companies with a functional currency other than NOK is translated at the rate of exchange at the balance sheet date. The statement of profit and loss are translated at exchange rates at the date of the initial transaction. The exchange differences arising on translation for consolidation are recognized in OCI. The Group has operations through-out the world, however the main sources of translation difference is through NOK.

The Group's most used currencies had the following exchange rates at the balance sheet date:

	GBP	USD	EUR	BRL	AUD
Per 31.12.24	14.209	11.353	11.789	1.825	7.035
Per 31.12.23	12.934	10.172	11.241	2.096	6.912

Segment Information
The Group reports internally to the executive management on operating- and geographical segments. The executive management group is the chief operating decision maker (CODM) and monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. The operating segments are divided into the following three segments:
- AHTS: Anchor handling tug supply vessels
- CSV: Construction support vessels operating subsea construction contracts
- Services: Additional services across vessel spreads, i.e. ROVs, tooling, project personnel, engineering support.
- Other: Other income and costs not allocated to the three segments

For each segment the revenues are reported as either renewable or oil and gas.

The Group owns and operates AHTS and CSV vessels. The different types of vessels operate in different markets and management reviews operational results within these markets. Solstad Services is a new segment in 2024 delivering other services such as ROV, tooling and project personnel. The Group focuses on the renewable market, and as a consequence revenues from contracts that are taxonomy eligible is reported separately for each segment. The previous PSV segment was classified as discontinued operations in 2023. The segments coincide with the operational structure of the Company, being three departments responsible for each segment.

Any other activities, including vessels under construction, are included in a separate segment (Other). Overhead expenses are apportioned between the segments based on the share of operating expenses. All accounting policies applied in the segment reporting are the same as used in the Group reporting.

The Group presents activities by geographical markets in the segment note based on the location of the Group's vessels and operations throughout the year.

Property, Plant and Equipment - Impairment Charges and Depreciation
Property, plant and equipment acquired by Group companies are stated at historical cost. Depreciation is calculated on a straight-line basis and adjusted for residual value and impairment, if any. Residual value is the current estimated amount that would be obtained from disposal of the asset, after deducting the estimated cost of disposal, as if the asset were already of the age and in the condition anticipated at the end of its useful lifespan. The book value of the property, plant and equipment on the balance sheet represents the cost less accumulated depreciation and any impairment. Refer to Note 2 Significant Judgements, Accounting Estimates and Asserssments, and Note 29 Contingent Liabilities, Assets and Provisions for further information.

The residual value and expected useful lifetime assumptions of long-lived assets are reviewed at each balance sheet date, and where they differ significantly from previous estimates, depreciation charges are amended accordingly.

The business segments are the Group's strategic units of control. However, while determining the recoverable amount, each vessel is treated as one cash-generating unit. Gains and losses on disposal are determined by comparing the disposal proceeds with the carrying value and any gain or loss is included in operating profit.

Leases
Right-of-use-assets
Right-of-use-assets are recognized at cost at the commence date. The cost of the assets includes the recognized lease liabilities, initial direct expenses, and lease payments made prior to commencement. After initial recognition, the right of use asset is recognised to cost, less depreciation and impairment losses.

Lease liabilities
At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include both fixed and variable lease payments that depend on index or rate, and amounts expected to be paid under residual value guarantees.

When calculating present value of the lease the incremental borrowing rate at the commencement of the lease is used, if the implicit rate is unavailable. The incremental borrowing rate (IBR) for vessels are set using an assessment around lessors cost of capital, interest rate based on the Group's weighted average cost of capital and adjusting for the term length. For offices the IBR is set through a reference interest free rate and including margin for similar-currency loan for the Group and the equivalent property yield in similar market on offices. Subsequently, the amount of the lease liability is increased to reflect the accretion of interest and reduced for lease payments made. The liability is remeasured if modifications or changes to the lease terms occur.

Cash and Cash Equivalents
Cash and cash equivalents comprise of cash in hand, current deposits and other short-term highly liquid investments with maturity dates of less than three months. Bank overdrafts are included within borrowings in current

liabilities on the balance sheet. Restricted bank deposits are funds on separate bank accounts for tax deductions.

Inventories

Inventories consist mainly of bunkers onboard the vessels.

Provisions

A provision is recognised when the Group has an obligation to fullfil as a result of a previous event. The main provision for the Group is towards foreign tax, either as corporate income tax or value added taxes/import taxes, see Note 29 Contingent Liabilities, Assets and Provisions, for further details.

Tax

Tax payable is based on taxable profit for the year and calculated using tax rates that have been enacted as of the balance sheet date.

Deferred tax is calculated using the liability method at tax rate expected to be applied of all temporary differences between the taxable value of assets and liabilities and their booked amounts at the end of the accounting year. Any temporary differences that may increase or decrease tax are offset and recorded as a net figure by jurisdiction.

Pension Obligations

The Group had a defined benefit plan for seafarers and administrative personnel, and a contribution plan for administrative personnel hired after 1 January 2007. Cost for contribution plans is recognized in profit and loss when incurred. Following the deconsolidation of Solstad Maritime and Skansekaia Drift in 2024, there are two remaining defined benefit plans in the Group related to former employees in UK.

The liability of the defined benefit pension plan is the present value of the defined benefit liability at the balance sheet date minus the fair value of plan assets. The defined benefit liability is calculated by independent actuaries using the projected unit credit method and is measured as the present value of the estimated future cash outflows using interest rates of government securities that have terms maturing at the same time as the liability.

Revenue from Contracts with Customers - Charter Income

Income and expenses relating to charter contracts are apportioned according to the number of days for each contract occurring before and after the end of the accounting period. The contract begins when the vessel is “delivered” to the charterer and ends when the vessel is “redelivered” to Solstad. Charter revenue is recorded net after deduction for direct, contract-related charter expenses. Any loss on contracts is accrued when a loss is probable. Income relating to ROVs and gangways are based on the number of days. Revenue from bareboat agreements is regulated by IFRS 16. The time charter contracts, and ROV- and gangway contracts, contain both a lease component that is regulated by IFRS 16 and a service component that is regulated by IFRS 15. Both the lease component and the service component are recognized together as revenue in operating income (Reference Note 6 Operating Income for split).

Leases, in which a significant portion of the risks and rewards of ownership are retained by the lessor, are classified as operating leases. Lease income for the leasing of vessels is recognized as operating leases and recognized in the income statement on a straight-line basis over the lease period. The lease period commences from the time the vessel is made available to the tenant and terminates upon agreed return.

Mobilization and demobilization fees are related to the period before the delivery of the vessel, and after the redelivery of the vessel. No performance obligation is fulfilled at that time, and the fees are classified as prepayments and amortized over the contract period. Related mobilization cost and expected demobilization costs, and other costs incurred to be able to fulfil a contract, are also amortized over the contract period.

Revenue from Contracts with Customers - Other Income

Other income, such as victualling and management fees, are recognized in the period in which the performance obligations are being satisfied. The Group has mainly delivery over time on the other income. The largest components are connected to victualling and other crew, where the performance obligation is assessed to be on a daily basis and the revenue is derived through the agreed contract day rates.

Government Grants

Grants related to the net tax agreement and crew subsides are recorded as a reduction in expenses.

Insurance Claims

For damage on the Group’s vessels and equipment, resulting in payments (averages) from insurance companies, compensation is presented net with the corresponding expense.

Cash Flow

The Group applies the indirect method. Investment in shares and other liquid assets with maturity over three months are not included under cash equivalents.

Note 2: Significant Judgements, Accounting Estimates and Assessments

The preparation of financial statements in conformity with IFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of income, expenses, and financial items during the reporting periods. Accounting estimates are employed in the financial statements to determine reported amounts. These estimates are based on management’s best judgement and conditions considered to be realistic. Situations or changes may occur in the market which may result in changes to the estimates, thereby impacting the Group’s assets, liabilities, equity and result.

Assessments, estimates and assumptions which have a significant effect on the accounts are summarized below:

Significant Judgements

Refinancing and Loss of Control

With reference to the agreement signed 23 October 2023 (Reference to Note 3), Solstad Maritime Holding AS, which was initially set up as a subgroup in Solstad Offshore, has received equity contribution from Aker Capital AS (MNOK 2.250) and AMSC ASA (MNOK 1.000) on 16 January 2024. The impact of the equity contribution was that Solstad Offshore effectively lost control of Solstad Maritime Holding AS, and retained a 31.6% stake in the associated company Solstad Maritime, which is now recognised using the equity method. The ownership share was reduced to 27.3% following the equity contribution from Solstad Offshore’s shareholders of MNOK 750 completed on 19 June 2024. Solstad Offshore has derecognized Solstad Maritime as of transaction date 16 January 2024, and has recognized an investment in associate at the same time.

Solstad Offshore’s share in Solstad Maritime was assessed to have a fair value less cost to sell of NOK 1.620 million, which was recognized as the carrying value of the associate on 16 January 2024.

In 2023 the Group made an assessment regarding classifying Solstad Maritime as discontinued operations. Solstad Maritime was not considered a separate major line of business or geographical area of operations in accordance with IFRS 5, and is not presented as discontinued operations. The operations in Solstad Maritime is not related to a specific segment. Solstad did not dispose of separate major line of business or geographical area of operation, only parts of major line of business. The share of revenues, fixed assets and number of vessels in Solstad Maritime in proportion to the Group is assessed not to be “major”. Furthermore, Solstad Maritime was operationlly (and for CODM decision making purposes) not clearly distinguishable from the rest of Solstad Group. There is no change to this assessment in 2024.

Solstad Maritime had six vessels on bareboat charters to Solstad Offshore as of 16 January 2024. Solstad Offshore has assessed if there should be recognized an impact in terms of IFRS 16 as a sale-leaseback transaction. There is little guidance on derecognition of subsidiaries and subsequent recognition of leasing transaction in IFRS. Solstad Offshore has assessed and concluded to not recognize any sale-leaseback accounting and established a principle to use IFRS10.25 (derecognition/sale of subsidiary) for these types of transactions. The leases has been recognized as a new lease as of transaction date for those vessels that are not short-term leases (leases with lease term of 12 months or less at the commencement date and do not contain a purchase option) in accordance with IFRS 16. Lease payments on short-term leases are recognized as expense on a straight-line basis over the lease term.

Functional Currency

The Group has made an assessment of the functional currency for the subsidiaries in the Group and concluded that the functional currency has shifted over time from NOK to USD. Both primary and secondary factors have been assessed in accordance with IAS 21. The functional currency was changed to USD with effect from 01 January 2024.

As a result of amongst others reorganizations of the ownership of vessles, eternal sales and change in market conditions, there has been indicators that an increasing share of the revenues are in USD, shifting from AUD, GBP and NOK. In general USD is the also the currency that drives the shipping market, especially for vessels operating in the oil and gas industry.

The financing of the Group has historically been in NOK and USD, and as of 31 December 2023 the allocation was 74% USD and 26% NOK. Following the refinancing during 2024 the allocation is 100% USD as of 31 December 2024.

Maximus Settlement

With reference to the agreement signed 22 November 2024 (Reference to Note 3), Solstad Offshore, the Maximus lenders and MYF Maximus Limited (MYF) entered into an agreement to settle the Residual Claim. The agreement involved a payment of MUSD 91.4 to MYF and MNOK 200 to the Maximus lenders, and a forgiveness of the remaining claim. The Residual Claim has been treated as part of the lease liability together with the lease on the vessel Normand Maximus, and this was considered as a modification of the current lease in 2022. The settlement of the Residual Claim involves a change in the timing of repayment and the total amount to be repaid, but there is no change in the scope of the lease. It has been assessed that this should be treated as a lease modification in accordance with IFSR 16. The Group gained control over Maximus Limited as a result of the settlement, and the net value of the Company beeing consolidated to the group has been set of against the payments for the residual claim in the lease modification calculation (MNOK 64). Reference to note 3, note 8, note 10 and note 15 for further details on the transactions and accounting effects.

Normand Maximus

A dispute with a client has lead to assessments with regards to recognition of revenue and subsequent measurement of the receivables. The Group has assed that the performance obligations has been fulfilled, and that revenue should be recognized in accordance with IFRS 15 for the service element, and in accordance with IFSR 16 for the lease element of the agreement. Reference to note 29.

Accounting Estimates

Vessel

The carrying amount of the Group's vessels represents 54 percent of the total balance. Consequently, judgements and estimates linked to the vessels have a significant impact on the Group's financial statements. Depreciation is calculated on a straight-line basis over the useful life of the asset. Depreciable amount equals historical cost less residual value.

Useful Life of Vessels

The depreciation depends on the estimated useful life of the vessel. The Group's policy has been that useful life is 20 years during 2024. During the process of updating the forecasts in the five-year plan in December 2024 the useful life of the vessels was reassessed and changed to 25 years, with prospective effect from January 2025 for the depreciations. This is based on strategy, experience and knowledge of the types of vessels under the Group's control. For some vessels useful life may be considered higher or lower than 25 (20) years, dependent on the specific plan for the vessel. This is subject for management's judgement.

Residual Value

The level of depreciation depends on the residual value of the vessel. Assumptions concerning residual value are made based on knowledge of the market for secondhand vessels. The estimate of residual value is based on a market value of a charter free vessel less sales related expenses. Fair values are based on estimates obtained from three independent brokers and updated annualy. Further adjustments are made to account for age of the vessel, with a factor starting from 50% and increasing to 100% as the vessels age increase to useful life. Changes in environmental requirements may impact the residual value, and economical lifetime, but the Group has implemented several measures to ensure the fleet will be in compliance with changes in such requirements. Wear and tear, technical and commercial obsolescence and environmental requirements are factors affecting the assessment of the useful life To maintain the residual value, vessels are modified to be competitive in the market, and maintain secondhand price. Residual value used in impairment calculations as of year-end 2024 is reflecting the change in useful life from December 2024 (reference note 9).

Impairment test of Vessels

For the purpose of assessing impairment for vessels, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units, CGU). Each vessel together with associated contracts is considered a separate CGU.

Test for impairment is performed for all vessels with impairment or reversal indicators based on value in use-calculations. For vessels in the category "Divestment" in the forecasts, a simplified impairment test is performed, based on broker values. Brokers value is set as an average of three acknowledge and independent brokers. The brokers estimates are based on their judgement of the market, "willing buyer and willing seller". The assumptions used in the broker estimates, and the estimated values, are assessed by management. Assets held for sale are measured at the lower of its book value and fair value less costs to sell at the time of reclassification.

Value in Use

Estimated cash flows are based on next year's budgets per vessel and forecasted earnings going forward. For each vessel, a budget and five-years plan are prepared. The budget process is detailed and includes approvement up to the board of directors. Estimated future cash flows are based on historical performance per vessel, in combination with current market situation and future expectations. For the period after the five-year plan, internal and external analyses together with historical performance serve as a decision basis for managements judgements. Critical assumptions in the assessment are related to WACC and income rates/utilization. Reference Note 9 Property, Plant and Equipment.

For vessels on firm contracts over the period, the assumption is that the contracts run up until expiry. Customer's execution of options is weighted to include uncertainty in the expected cash flow. For vessels without contract, assumptions derived from comparable vessels and contracts in combination with other market information are considered when estimating future income. Management's assumption is that markets are normalized to historical rates, with a gradual increase over the remaining period.

Discount Rate

The discount rate is based on a weighted average cost of capital (WACC) for the Group. The cost of equity is derived from the ten-year interest rate for state bonds (risk-free interest rate), market risk premium and an unlevered beta (Damodaran for Western Europe). The debt element of the discount rate is based on the risk-free interest rate, plus a premium equivalent to the difference between risk-free interest rate and market rates. The discount rate used for 2024 is a post tax rate of 13.5%.

Climate and Regulatory Risks

The entity constantly monitors the latest regulatory changes in relation to climate-related matters. Regulatory changes in climate requirements may impact future cash inflows for the Entity, but based on the managements judgements as of 31 December 2024 no material effects are identified for the prognosis period.

Please also refer to Note 9 Property, Plant and Equipment.

Note 3: Major Transactions / Events

Major Transactions / Events in 2024

Company Refinancing

The agreement for refinancing of the group announced on 23 October 2023 between Solstad Shipholding AS, Aker Capital AS, and AMSC ASA (the “Financing”) was completed on 16 January 2024.

The Financing secured new equity of MNOK 3,250 and refinancing of a majority of Solstad Offshore ASA’s outstanding secured debt of about BNOK 11.3 by a new long-term financing of about BNOK 9.5 to Solstad Maritime AS.

The impact of the equity contribution was that Solstad Offshore effectively lost control of Solstad Maritime Holding AS, and retained a 31.6% stake in the associated company Solstad Maritime, which is now recognised using the equity method. The ownership share was reduced to 27.3% following the equity contribution from Solstad Offshore’s shareholders of MNOK 750 completed in June 2024.

Following completion of this share issue and by year-end 2024, Solstad Maritime Holding AS is owned approximately 42.0% by Aker Capital AS, 19.6% by AMSC ASA (this includes share subscribed pursuant to subscription rights purchased in the market), 27.3% by Solstad Shipholding AS a subsidiary of Solstad Offshore ASA and 11.1 % by eligible Solstad Offshore ASA shareholders and investors (other than AMSC ASA) that had been granted or had purchased subscription rights in Solstad Maritime Holding AS.

Maximus Settlement

On 22 November 2024 the Group entered into an agreement with MYF Maximus Limited related to settlement of the Residual Claim.

The agreement with MYF involved that MYF waived any claim and rights in Maximus Limited and the Residual Claim. The litigation in Cayman and Norway was discontinued and the judgment by the Oslo District Court of 7 July 2023 in favour of the Lenders is final. A payment was made by the Company to MYF in an amount of MUSD 91.45. The payment discharged the Residual Claim in full. The litigation was initiated against the lenders that had originally provided bank financing for the acquisition of “Normand Maximus” in 2016 (the “Lenders”).

The Company and the Lenders entered into an agreement which discharges the rights and interests that the Lenders had in Maximus Limited and the Residual Claim pursuant to agreements entered into between the Company and the Lenders by a payment of MNOK 200 pluss MNOK 25 in cost coverage. The maturity date for the Residual Claim was originally 31 March 2024, but was postponed to 16 January 2027 in connection with the refinancing of the group announced 23 October 2023. As part of the refinancing, a subsidiary of the Company was granted an option to purchase the Residual Claim against payment of MNOK 200. The payment from the Company to the Lenders under the agreement now entered into is equal to the purchase option price of MNOK 200. This payment was also considered a payment of the Residual Claim to Maximus Limited. In addition MNOK 25 was paid to the Lenders as cost coverage.

Major Transactions / Events in 2023

Strategic sale of the PSV fleet

All 38 vessels within the PSV-fleet were sold in 2023. The Group signed an agreement with U.S. based Tidewater Inc, dated 7 March 2023, for the sale of 37 Platform Supply Vessels (PSV) for a total amount of USD 580 million. The closing of the sale was 5 July 2023. In addition, 1 vessel was sold in a separate transaction in February 2023.

Company Refinancing

On 23 October 2023 a financing solution supported by Aker Capital AS, AMSC ASA, DNB Bank ASA and Eksportfinansiering Norge was announced (the “Refinancing”). The agreement involves:

- Successful refinancing of Solstad’s fleet loan maturing 31 March 2024
- Aker Capital will contribute minimum NOK 2.25 billion in equity in a new entity to be established (“Solstad Maritime Holding”) below SOFF
- AMSC will contribute 100 percent of the shares in the entity owning the CSV Normand Maximus valued at NOK 1.0 billion against receiving new shares in Solstad Maritime Holding
- Shareholders in SOFF will be offered to subscribe new shares in Solstad Maritime Holding to raise gross proceeds of NOK 750 million
- A new fleet loan of NOK 9.7 billion underwritten by DNB and Eksfin
- Maturity of the residual claim relating to the CSV Normand Maximus extended similarly to the maturity of the new credit facilities
- The Solstad Group continues to operate as today with no effect on employees and clients

The major part of the Refinancing was completed on 16 January 2024, outstanding item was the implementation of an offering of gross proceeds of MNOK 750 that the board of Solstad Maritime Holding had been authorised to complete towards shareholders in the Company (Solstad Offshore ASA) (other than Aker Capital) as of 27 October 2023 (as registered with VPS in 31 October 2023). Aker Capital had guaranteed for the MNOK 750 offering. After the Refinancing Solstad Offshore ASA has a direct ownership of Solstad Maritime Holding of 27 percent.

Note 4: Discontinued Operations

In 2023 the discontinued operations are related to the Tidewater transaction, where The Company signed an agreement with U.S.-based Tidewater Inc., dated 7 March 2023, for the sale of 37 PSVs for a total amount of MUSD 580 million. The transaction was closed on 5 July 2023. Assets included in the transaction were classified as held for sale. The assets have been included in the PSV segment in accordance with IFRS 8 in prior periods. The PSV operations was determined to constitute discontinued operations as all PSVs were disposed of in the transaction, and the net result for the operation was presented on a single line effective 1Q 2023.

Below is the Net result for discontinued operations presented. The full Net result for discontinued operations in 2023 relates to the PSV segment. There are no discontinued operations in 2024.

Amounts in NOK 1,000

	2024	2023
Discontinuing operations		
Charter income	-	1,133,833
Other operating income	-	14,369
Total operating income	**-**	**1,148,202**
Personnel costs	-	-446,431
Administrative expenses	-	-147,173
Other operating expenses	-	-310,918
Operating expenses	**-**	**-904,522**
Net gain/-loss on sale of assets	-	12,713
Operating result before depreciation and impairment	**-**	**256,393**
Depreciation	-	-23,696
Depreciation capitalised periodic maintenance	-	-28,552
Impairment fixed assets	-	613,834
Income from investment in joint ventures	-	-
Operating result	**-**	**817,979**
Income from investments in associates	-	-
Interest income	-	-305
Other financial income	-	-
Interest charges	-	-351,134
Other financial expenses	-	-344,967
Net financial items	**-**	**-696,407**
Result before taxes	**-**	**121,572**
Tax on result	-	-2,773
Net result from discontinuing operations	**-**	**118,799**

Net cash flows generated/(incurred) by discontinuing operations:

Amounts in NOK 1,000

	2024	2023
Operating	-	160,916
Investing	-	-279,422
Financing	-	-603,090
Net cash inflow/outflow	**-**	**-721,596**

Net cash flows generated/(incurred) from the sale of discontinued operations:

Amounts in NOK 1,000

	2024	2023
Cash received from sale of the discontinued operations*	-	6,172,838
Cash sold as part of discontinued operations	-	-
Net cash flow from discontinued operations	**-**	**6,172,838**

** Cash related to Tidewater transaction*

Note 5: Assets Held for Sale

Assets held for sale as of 31 December 2024 is the Group's share of Omega Subsea Robotics AS. In November 2024 a letter of intent was agreed on purchasing an additional minor interest in Omega Subsea Robotics AS and subsequently use Omega Subsea Robotics as capital injection into Omega Subsea AS to restructure this as a fully owned subsidiary of Omega Subsea AS. The purchase agreement was signed on 19 December 2024, and the transaction was completed on 16 January 2025. It is considered that the carrying amount of the shares would be recovered by sale and not by continued operations, and that the completion of the transaction was considered highly probable as of 19 December 2024, and as such the JV share is classified as an asset held for sale in accordance with IFRS 5. The asset is valued at fair value less cost to sell as of 31 December 2024, and an impairment of 3 MNOK has been booked as Impairment and reversal of impairment (reference note 15). The transaction is considered to have a business substance, with a strengthening of Solstad Offshores position in the subsea services segment, going from an investments in ROVs to a full project organization for subsea operations. As at completion of the transaction on 16 January 2025 an investment in associate of Omega Subsea AS with 35.8% has been booked with a net book value of MNOK 137, including the shares in Omega Subsea Robotics with MNOK 58 and capital injections of MNOK 79. A minor accounting loss was recognized. No goodwill has been recognized in the PPA.

Assets held for sale as of 31 December 2023 are assets and liabilities related to Solstad Maritime (reference to Note 2).

Below is a specification of the balances that constitute the Assets held for sale and Liabilities directly associated with the assets held for sale in the Consolidated statement of Financial Position:

Amounts in NOK 1,000

ASSETS	2024	2023	Note
Non-current assets			
Deferred tax assets	-	4,000	
Vessels	-	9,898,380	9
Right-of use-assets	-	116,724	10
Capitalized periodic maintenance	-	512,819	9
Other tangible fixed assets	-	6,433	9
Investments in joint ventures	58,737	-	15
Investments in associates		42,906	15
Investments in stocks and shares	-	2,991	15
Other non-current receivables	-	11,669	25
Total non-current assets	**58,737**	**10,595,921**	
Current assets			
Inventory	-	77,730	27
Account receivables	-	1,341,090	26
Contract assets	-	73,716	26
Other current receivables	-	365,096	26
Market based shares	-	22,500	15
Cash and cash equivalents	-	1,381,956	22
Total current assets	**-**	**3,262,089**	
TOTAL ASSETS	**58,737**	**13,858,010**	
LIABILITIES			
Non-current liabilities			
Pension liabilities	-	15,577	21
Other financial liabilities	-	1,669	
Interest bearing liabilities	-	-	8
Leasing liabilities	-	100,513	7,10
Total non-current liabilities	**-**	**117,759**	
Current liabilities			
Accounts payable	-	335,704	
Taxes payable	-	152,335	20,29
Contract liabilities	-	11,560	28
Other current liabilities	-	844,399	28
Current leasing liabilities	-	22,059	7,10
Total current liabilities	**-**	**1,366,058**	
Total liabilities	**-**	**1,483,816**	

Amounts included in accumulated OCI	2024	2023	Note
Actuarial gain/loss (-)	-	1,944	
Translation adjustments	-	-614,469	
Reserve classified as held for sale	**-**	**-612,525**	

The major classes of assets, liabilities and comprehensive income effects for Solstad Maritime Group are presented below. Intercompany transactions between Solstad Group and Solstad Maritime Group is eliminated in Solstad Group.

Amounts in NOK 1,000

	2023
Balance sheet:	
Cash and cash equivalents	1,381,956
Current assets	2,300,952
Non-current assets	10,891,703
Current liablilities	-12,398,486
Non-current financial liabilities	-117,759
Net assets	**2,058,366**
Profit and loss:	
Continuing operations:	
Revenues	5,096,266
Operating expense	-2,789,497
Net gain/loss on sale of assets	76,351
Depreciations	-699,356
Impairment	189,848
Net financial items	-1,389,305
Result before taxes	484,307
Taxes	-57,075
Net result continuing operations	**427,232**
Discontinued operations:	
Net result discontinuing operations	**195,140**
Net result	**622,372**
Comprehensive income:	
Translation adjustments foreign currency	-333,285
Acturial gain/ (loss)	1,944
Comprehensive income	-331,341
Total comprehensive income	**291,031**

Note 6: Operating Income, Reporting by Segments and Geographical Markets

Operating Income

The Group's revenues mainly derive from offering vessels (including additional services such as ROVs) and maritime personnel to customers world wide. Basically all contracts with customers are contracts with day rate. Contracts with day rate are contracts where income is earned on a day-by-day basis, based on an agreed day rate with the customer. Revenue from contracts with day rate is recognized accordingly.

The agreed day rate is divided into a service element and a lease element. The service element includes the maritime services provided to navigate the vessel (and ROVs and gangways) according to the customers requirements, while the lease element is the estimated rental of the vessel (and equipment). Refer to Note 10 for more information related to the lease element.

Some of the contracts also include victualling and onshore project management. Victualling is meals and bedding provided to the customer's personnel onboard the vessel. The Group also provides ordinary management services, such as technical services, crewing, insurance and commercial management for vessels not owned by the Group. Revenue on services, mentioned above, are recognized over time, as the performance obligation is satisfied over time.

Operating income	2024	2023
Service element from contracts with day rate	1,381,546	1,818,926
Management fees*	2,440	36,054
Additional services	306,886	232,707
Revenue from contracts with customers	**1,690,872**	**2,087,687**
Lease element from contracts with day rate (Note 10)	1,098,541	4,891,292
Other operating income	1,301	-
Total operating income	**2,790,715**	**6,978,977**

** Management fees in 2023 is mainly related to management of vessels for Tidewater following the sale of the PSVs (MNOK 27)*

Revenue related receivables	2024		2023 Included in assets held for sale
Trade receiveables from charters (Note 26)	750,653	613,735	1,341,090
Contract assets	-	18,310	73,716
Contract liabilities	-	-	11,560
Costs to fulfill a contract	-	-	17,334

For the majority of contracts, payment is generally due within 30-60 days after the end of each month or 30-60 days after the service is completed. Payment terms for all other services is normally 30 days after services is invoiced.

Revenue recognised in 2024 that was included in the contract liability balance at the beginning of the year amounts to MNOK 11.56 (MNOK 3.6 in 2023).

The Group had three customers with more than 10% of total revenue in 2024. The group had three customer with more than 10% of the revenue in 2023. In 2024 the two most significant customers contributed to 65% of the revenues, and the Group is exposed to the Brazilian market and the two key klients. The revenue is a significant part of all operating segments.

Operating Lease

Some of the Group's vessels are rented out on long-term charter parties. Income from these vessels is recognized as operational leases.

	31.12.2024		31.12.2023	
	Minimum payment	Present value minimum payment	Minimum payment*	Present value minimum payment
Next year	2,612,139	2,548,428	4,245,780	4,142,224
Year 2	2,000,519	1,904,123	1,648,757	1,569,311
Year 3	790,045	733,635	757,611	703,517
Year 4	302,451	274,006	310,896	281,657
Year 5	-	-	182,126	160,973
Over 5 years	-	-	386,468	333,250
Finance cost	-	244,962	-	340,707
Total minimum lease payment	**5,705,154**	**5,705,154**	**7,531,639**	**7,531,639**

**Backlog figures per 31 December 2023 are reflecting the group structure as per 31 December 2023. Approximately MNOK 2,050 of the firm backlog is related to vessels 100 percent owned by the Group after the Refinancing (Reference Note 8 Mortgage Debt and Other Liabilities)*

Reporting by Segments and Geographical Markets

The Group's main activity is to offer ships, additional services (ROVs etc) and maritime personnel in all geographical regions.

Internally the Company reports and monitors it's operation in the following segments

- AHTS: Anchor handling tug supply vessels.
- CSV: Construction support vessels operating subsea construction contracts
- Services: Additional services across vessel spreads, i.e. ROVs, tooling, project personnel, engineering support. New segment in 2024.
- Other: Other income and costs not allocated to the three segments.
- All income is classified as Renewable or Oil & Gas from 2024. In 2023 renewable was a separat segment, and the 2023 segment numbers are restated to reflect the change in 2024. Administrative expenses are allocated to the segments based on total operating income.

The investment in associates and joint ventures are not allocated to the segments, and the figures are exclusive of share result from these investments. There is a separate process for following up the result of the associates and joint ventures (reference note 15).

	2024			2023		
	Renewable	Oil & Gas	Total	Renewable	Oil & Gas	Total
AHTS						
Total operation income	-	559,184	559,184	-	1,994,086	1,994,086
Total operating expenses	-	-335,400	-335,400	-	-1,267,522	-1,267,522
Gain/-loss on sale of assets	-	6,021	6,021	-	67,901	67,901
Operating result before depreciations and impairment (1)	**-**	**229,805**	**229,805**	**-**	**794,464**	**794,464**
Assets and liabilities						
Fixed assets			704,787			3,558,686
Total segment assets			**704,787**			**3,558,686**
Interest bearing liabilities			212,133			3,702,527
Leasing liabilities			363,729			-
Total segment liabilities			**575,862**			**3,702,527**
Other segment information						
Investment in tangible fixed assets			364			11,164
Addition of periodic maintenance			43,286			97,158
Depreciations and write-downs (2)			100,989			257,640
CSV						
Total operation income	253,224	1,605,762	1,858,986	1,801,137	3,156,552	4,957,689
Total operating expenses	-261,158	-544,004	-805,162	-825,311	-1,740,276	-2,565,587
Gain/-loss on sale of assets	2,895	18,732	21,627	-	449 666	449,666
Operating result before depreciations and impairment (1)	**-5,039**	**1,080,491**	**1,075,451**	**975,826**	**1,865,942**	**2,841,768**
Assets and liabilities						
Fixed assets			4,052,091			10,776,195
Total segment assets			**4,052,091**			**10,776,195**
Interest bearing liabilities			998,548			8,351,367
Leasing liabilities			2,809,272			3,625,162
Total segment liabilities			**3,807,820**			**11,976,529**
Other segment information						
Investment in tangible fixed assets			4,845			36,778
Addition of periodic maintenance			37,111			163,724
Depreciations and write-downs (2)			193,564			704,947

	2024			2023		
	Renewable	Oil & Gas	Total	Renewable	Oil & Gas	Total
Services						
Total operation income	76,935	248,796	325,731	-	-	-
Total operating expenses	-57,100	-201,643	-258,743	-	-	-
Gain/-loss on sale of assets	880	2,845	3,725	-	-	-
Operating result before depreciations and impairment (1)	**20,715**	**49,998**	**70,713**	**-**	**-**	**-**
Assets and liabilities						
Fixed assets			83,205			-
Total segment assets			**83,205**			**-**
Interest bearing liabilities			-			-
Leasing liabilities			55,562			-
Total segment liabilities			**55,562**			**-**
Other segment information						
Investment in tangible fixed assets			8,227			-
Addition of periodic maintenance			-			-
Depreciations and write-downs (2)			17,468			-
Other						
Total operation income	-	46,813	46,813	-	27,202	27,202
Total operating expenses	-	-42,492	-42,492	-	-339,320	-339,320
Gain/-loss on sale of assets	-	-240	-240	-	-	-
Operating result before depreciations and impairment (1)	**-**	**4,081**	**4,081**	**-**	**-312,118**	**-312,118**
Assets and liabilities						
Fixed assets			-			-
Total segment assets			**-**			**-**
Interest bearing liabilities			-			-
Leasing liabilities			-			-
Total segment liabilities			**-**			**-**
Other segment information						
Investment in tangible fixed assets			-			-
Addition of periodic maintenance			-			-
Depreciations and write-downs (2)			-			-

	2024			2023		
	Renewable	Oil & Gas	Total	Renewable	Oil & Gas	Total
Total						
Total operation income	330,158	2,460,556	2,790,715	1,801,137	5,177,840	6,978,977
Total operating expenses	-318,257	-1,123,540	-1,441,797	-825,311	-3,347,119	-4,172,429
Gain/-loss on sale of assets	3,775	27,358	31,133	-	517,567	517,568
Operating result before depreciations and impairment (1)	**15,676**	**1,364,375**	**1,380,051**	**975,826**	**2,348,288**	**3,324,115**
Assets and liabilities						
Fixed assets segments			4,840,083			14,334,881
Unallocated assets			4,141,813			5,300,460
Total assets			**8,981,895**			**19,635,341**
Interest bearing liabilities segments			1,210,681			12,053,894
Leasing liabilities segments			3,228,564			3,625,162
Unallocated liabilities			1,274,041			2,131,735
Total liabilities			**5,713,285**			**17,810,791**
Other segment information						
Investment in tangible fixed assets			13,437			47,942
Addition of periodic maintenance			80,397			260,882
Depreciations and write-downs (2)			312,022			962,587

(1) *The segment result is presented exclusive depreciations/impairments,interests, currency gain/ loss and other financial items.*
(2) *Depreciation includes both ordinary depreciation and depreciation of periodic maintenance.*

Reconciliation of Profit

	2024	2023
Operating segment result before depreciations and impairment (1)	1,380,051	3,324,115
Depreciation	-818,037	-918,101
Depreciation capitalised periodic maintenance	-44,991	-185,174
Impairment fixed assets	528,561	-296,983
Income from investment in joint ventures	90,482	19,935
Income from investment in associated companies	600,234	-4,824
Interest income	79,110	131,700
Other financial income	184,400	2,400
Interest charges	-569,890	-1,683,318
Other finance costs	-77,215	-44,771
Ordinary result before taxes from continuing operations	**1,352,705**	**344,979**

The Group's vessels operate in several geographical areas during a year. Allocation between the different areas is based on charter income.

Revenues are allocated to the following areas based on operating continental shelf:

		2024		2023
North Sea	9 %	239,378	35 %	2,431,579
North- and Central America	0 %	-	2 %	131,203
Mediterranean/remaining part of Europe	13 %	361,481	9 %	615,419
Africa	6 %	178,878	16 %	1,124,306
South America	70 %	1,945,617	26 %	1,785,798
Australia	1 %	33,593	5 %	376,306
Asia	1 %	31,766	7 %	514,366
Total	**100 %**	**2,790,715**	**100 %**	**6,978,977**

The Group's vessels generally operate in more than one geographical region during the year. Therefore assets can not be allocated per geographical segment in accordance with IFRS 8.

Note 7: Financial Market Risk, Financial Instruments

General

The Group is exposed to several types of financial risks through its operations. Financial market risks, such as currency rates, interest rates and charter rates, influence the value of the Group's financial assets, liabilities and future cash flows. Management monitors the financial market risks. When a risk factor is identified, action should be taken to reduce this risk. The main strategy to reduce financial market risk has been the use of financial derivatives, both for the specific exposure and for the net exposure of the Group. Where financial derivatives are appropriate, only conventional derivatives are used. Given the Group's financial position during the period, the Group has had limited possibility to enter into new financial derivatives.

Derivatives would only be used to manage the risk to fluctuations in interest and currency rates. The Group does not use financial derivatives to achieve financial income if no underlying exposure exists.

Management performs a continuous evaluation of the effect of financial instruments on the accounts with a view to hedge accounting. Based on this evaluation, hedge accounting is not used. The use of financial instruments is not significant when compared to the Group's level of activity, revenues and equity.

Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

The Group operates in a cyclical business, where exposure to losses on trade fluctuates. The business has recovered over the last years, and no material losses have been recognized. Due to the nature of the business concentration risk is present to some degree. Counterparties are concentrated in few industry sectors, and even though the Group operates worldwide, there is a concentration of counterparties in specific geographical markets. Management continously review and assess mitigating responses to limit the concentration risk.

Status for accounts receivables is shown in the table below. Based on the composition of the customers, the Group applies an individual assessment for expected loss on trade receivables.

The Group is also exposed through guarantees issued on behalf of subsidiaries, joint ventures and associates. As the value of the assets placed as security for the guaranteed mortgages exceeds the loans, the credit risk related to the guarantees is considered to be acceptable.

The following table shows the ageing of account receivables:

per 31.12.2024	Not yet due	0 -1 month over due	1 - 3 months over due	Older than 3 months	Total
Net carrying amount	591,025	68,102	88,481	3,045	750,653
Net carrying amount	**591,025**	**68,102**	**88,481**	**3,045**	**750,653**

per 31.12.2023	Not yet due	0 -1 month over due	1 - 3 months over due	Older than 3 months	Total
Net carrying amount	1,590,574	259,685	49,923	54,642	1,954,825
Net carrying amount classified as Asset held for sale	-1,009,353	-227,182	-49,923	-54,631	-1,341,090
Net carrying amount	**581,221**	**32,503**	**-**	**11**	**613,735**

Set out below is the movement in the allowance for expected credit losses of trade receivables:

	2024	2023
As at 1 January	**-858**	**27 275**
Provision for expected credit losses*	85,123	-24 026
Foreign exchange movement	1,817	-1 626
Assets held for sale	-	-2 482
As at 31 December	**86,081**	**-858**

** Reference note 29*

Interest Risk

Interest rate risk is the risk that the fair value of future cashflows of a financial instrument will fluctuate because of changes in market interest rates.

The Group's exposure to changes in interest rates relates primarily to the Group's non-current loans and leasing obligations with floating interest rates. To mitigate exposure to interest rate fluctuations the Group previously entered into fixed interest rate contracts for parts of the non-current liabilities.

As of 31.12.2024 and 31.12.2023 there are no fixed-interest contracts.

As per 31.12.2024, 36.15% (2023 5.3%) of the of the Group's loan agreements consisted of fixed interest rates through CIRR financing. The remaining debt had floating interest rates. The significant increase is due to the repayment of the fleet loan with floating interests on 16 January 2024. Per 31 December 2024 and 31 December 2023 the Group had no exposure in neither interest swaps nor currency swap agreements.

The following table shows the sensitivity of the Group's result before taxes at a reasonable change in the interest rate, while all other variables are unchanged:

Increase / decrease in basis points		Effect on result before tax
+ / - 300	2024	+ / - 34,069
+ / - 300	2023	+ / - 342,644

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.

The Group's presentation currency is NOK, but the functional currency is mainly USD, and was changed in 2024 to reflect the increased influence USD has on revenues in the Group. The bank financing is in 100 % USD as at 31 December 2024. (In 2023 the corresponding allocation was NOK 26% and USD 74%).

With the change in functional currency from NOK/BRL to USD within the Group, the effects of fluctuations in exchange rate on balance sheet totals will be significantly reduced in the P&L. A reasonable change in the currency of NOK and BRL versus USD of 10% would have an estimated effect on equity of MNOK 68 (MNOK 874 in 2023). The effect in 2024 is calculated based on net assets nominated in NOK and BRL.The effect in 2023 is calculated based on Interest bearing liabilities.

Liquidity Risk

Liquidity risk is the risk that the Group will be unable to fulfill its operational- and financial obligations as they fall due.

The Refinancing of Solstad involved repayment of the outstanding BNOK 11.3 under the secured loan agreement that was entered into in connection with the 2020 restructuring and refinancing of the Group. The Maximus Settlement involved payment of MNOK 1,014 (MUSD 91.45) and MNOK 200 of the Residual Claim, and forgiveness of the remaining claim of approximately MNOK 865. A new facility was drawn of BNOK 1.1 (MUSD 100), and the Superior loan was also refinanced under this facility (Reference to note 8 for further detail). The remaining debt in the Group follows ordinary repayment structures, and the majority of the debt matures in November 2027. The Group monitors its available cash through a continued evaluation of its liquidity position combined with a rolling medium and long term cash flow forecast of its operational activities.

The following table shows the maturity of the Group's financial obligations based on contractual, undiscounted cash flows:

per 31.12.2024	Less than 3 months	3 to 12 months	2 to 3 years	4 to 5 years	Over 5 years	Total
Interest bearing liabilities	9,112	254,405	1,132,176	103,736	280,461	1,779,890
Lease obligations	181,962	515,445	2,421,349	113,065	-	3,231,820
Account payables	201,925	-	-	-	-	201,925
Interest payments	78,197	306,703	506,250	37,540	12,180	940,870
	471,197	**1,076,553**	**4,059,775**	**254,340**	**292,641**	**6,154,505**

per 31.12.2023	Less than 3 months	3 to 12 months	2 to 3 years	4 to 5 years	Over 5 years	Total
Interest bearing liabilities (1)	11,427,604	24,096	93,146	202,610	343,898	12,091,355
Lease obligations (2)	1,864,794	100,679	310,154	1,423,634	61,842	3,761,103
Account payables	138,762	-	-	-	-	138,762
Interest payments	338,524	174,475	414,530	143,967	39,523	1,111,019
Liabilities directly associated with the assets held for sale	341,051	16,712	47,546	26,175	26,792	458,276
	14,110,735	**315,962**	**865,377**	**1,796,386**	**472,054**	**17,560,514**

(1) Interest bearing liabilities classified as current in 2023 includes BNOK 11.2 of the fleet loan, and MNOK 246 related to the Superior loan, both falling due on 31 March 2024. Reference to Note 8 Mortgage Debt and Other Liabilities.
(2) Lease obligation for Normand Maximus of MNOK 1,950 is classified as current liability in 2023. MNOK 1.833 is related to the Residual Claim which is falling due on 31 March 2024. Reference to Note 8 Mortgage Debt and Other Liabilities.

Capital Structure and Equity

The governing principle for the Group is that the company should have a solid balance sheet and liquidity reserves sufficient to support its business, future liabilities and maximize shareholder value at all times. Equity ratio increased in 2024, mainly due to the refinancing and the following deconsolidation of Solstad Maritime in January 2024.

	31.12.2024	31.12.2023
Total equity	3,268,610	1,824,550
Total assets	8,981,895	19,635,341
Equity ratio	36%	9%

Financing Risk

The following table shows the total mortgage loan based on existing financing and their maturity dates as per 31.12.2024:

	Drawn	Maturity interval		Interest interval		Average interest
Loan, fixed interest	642,714	10.11.2026	10.03.2031	3,63%	6,32%	5,49%
Loan, floating interest	1,135,637	10.11.2026	10.12.2027	9,24%	13,25%	12,24%

The following table shows the total mortgage loan based on existing financing and their maturity dates as per 31.12.2023:

	Drawn	Maturity interval		Interest interval		Average interest
Loan, fixed interest	669,491	10/11/2026	10/03/2031	3.64%	6.30%	4.86%
Loan, floating interest	11,421,459	31/03/2024	10/12/2027	4.50%	13.33%	7.19%

Fair Value

Estimated market values on financial instruments nominated in other currencies than USD are determined using the currency rate at the balance sheet date, and then translated to NOK. Fair value of the Groups interest- and interest-/currency swaps are determined using the currency and interest rate at the balance sheet date. Nominal value of cash and loan obligations is normally a reasonable estimate of the items' market value. The estimated fair value of the Group's non-current loan obligations is based on the estimated market interest level at the balance sheet date. The fair value of shares in non-listed companies are estimated based on the relevant company's financial report, focusing on the Group's share of its booked equity, and therefore a thorough evaluation is required prior to estimating the market value.

Set out below is a comparison, by class, of the carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values (e.g. accounts receivable and accounts payable):

Financial assets		2024		2023	
	Note	Carrying amounts	Fair value	Carrying amounts	Fair value
Cash to bank	22	381,835	381,835	501,014	501,014
Investments in shares (non-current)	15	-	-	581	581
Loans to joint ventures		67,672	67,672	63,141	63,141
Accounts receivable		750,653	750,653	613,735	613,735
Other current receivables		246,474	246,474	224,773	224,773

Total financial assets		**1,446,635**	**1,446,635**	**1,403,244**	**1,403,244**
Classified as Assets held for sale		-	-	3,187,350	3,187,350

Financial liabilities		2024		2023	
	Note	Carrying amounts	Fair value	Carrying amounts	Fair value
Mortgage loan with floating interests	8	1,136,205	1,136,205	11,342,661	11,342,661
Mortgage loan with fixed interests	8	642,714	642,714	669,491	669,491
Trade and other payables		201,925	201,925	138,762	138,762
Other current liabilities		489,203	489,203	408,678	408,678
Total financial liabilities		**2,470,046**	**2,470,046**	**12,559,592**	**12,559,592**
Hereof current part of non-current debt		276,782	276,782	11,380,520	11,380,520
Classified as Liabilities directly associated with the assets held for sale		-	-	865,368	865,368

Fair Value Hierarchy

The Group use the following hierarchy for valuation and presentation of financial instruments:

- Level 1: Quoted prices in active markets for identical assets or liabilities
- Level 2: Other techniques for which all inputs which have significant effect on the recorded fair value are observable, either directly or indirectly
- Level 3: Techniques which use inputs which have significant effect on the recorded fair value that are not based on observable market data

The Group's level 1 includes shares in listed companies, refer to note 15 for further details. Level 2 includes fixed interest contracts, interest and currency swap contracts, currency contracts and mortgage debt, refer above for further details. Level 3 includes non-registered shares, refer to note 15 for further details.

The following methods and assumptions were used to estimate the fair values:
- Nominal value of cash and loan obligations is normally a reasonable estimate of the items' market value.
- The fair value of listed shares are based on market value.
- The fair value of shares in non-listed companies are estimated based on the relevant company's financial report, focusing on the Group's share of its booked equity, and therefore a thorough evaluation is required prior to estimating the market value.

The following table show book value of financial instruments according to the hierarchy above:

			2024			2023
Current financial assets	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Investment in listed shares	-	-	-	-	-	-
Total per level	-	-	-	-	-	-
Total all levels	**-**			**-**		
Classified as assets held for sale	-			22,500		

			2024			2023
Non current financial assets	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Investment in shares	-	-	-	-	-	-
Total per level	-	-	-	-	-	-
Total all levels	**-**			**-**		
Classified as assets held for sale	-			2,991		

			2024			2023
Current financial liabilities	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Debt to credit institutions	-	-	-	-	-	139,501
Total per level	-	-	-	-	-	139,501
Total all levels	**-**			**139,501**		

Financial assets and financial liabilities measured at amortized cost, but for which fair value is disclosed, are valued at level 2 (Cash to bank and Mortgage loans) and level 3 (Investments in shares and Other long term receivables).

31.12.2024	Derivatives not designated as hedging instruments - fair value through profit or loss	Financial assets and liabilities at fair value through profit or loss	Financial instruments at fair value through OCI	Financial instruments at amortized cost	Total	Hereof classified as Assets held for sale
Assets						
Equity instruments						
Market based shares	-	-	-	-	-	-
Investments in stocks and shares	-	-	-	-	-	-
Debt instruments						
Other non-current receivables	-	-	-	-	-	-
Loans to joint ventures	-	-	-	67,672	67,672	-
Accounts receivable	-	-	-	750,653	750,653	-
Other current receivables	-	-	-	246,474	246,474	-
Cash and cash equivalents	-	-	-	381,835	381,835	-
Total Financial assets	**-**	**-**	**-**	**1,446,635**	**1,446,635**	**-**
Liabilities						
Interest bearing loans and borrowings						
Interest bearing liabilities	-	-	-	1,778,918	1,778,918	-
Other non-current liabilities	-	-	-	-	-	-
Other financial liabilities						
Trade and other payables	-	-	-	201,925	201,925	-
Other current liabilities	-	-	-	489,203	489,203	
Total financial liabilities	**-**	**-**	**-**	**2,470,046**	**2,470,046**	**-**

31.12.2023	Derivatives not designated as hedging instruments - fair value through profit or loss	Financial assets and liabilities at fair value through profit or loss	Financial instruments at fair value through OCI	Financial instruments at amortized cost	Total	Hereof classified as Assets held for sale
Assets						
Equity instruments						
Market based shares*	-	22,500	-	-	22,500	22,500
Investments in stocks and shares*	-	2,991	-	581	3,572	2,991
Debt instruments						
Other non-current receivables	-	-	-	-	-	-
Loans to joint ventures	-	-	-	63,141	63,141	-
Accounts receivable	-	-	-	1,954,825	1,954,825	1,341,090
Other current receivables	-	-	-	663,586	663,586	438,813
Cash and cash equivalents	-	-	-	1,882,971	1,882,971	1,381,956
Total Financial assets	**-**	**25,491**	**-**	**4,565,103**	**4,590,595**	**3,187,350**
Liabilities						
Interest bearing loans and borrowings						
Interest bearing liabilities	-	139,501	-	11,871,605	12,011,106	-
Other non-current liabilities	-	-	-	1,046	1,046	-
Other financial liabilities						
Trade and other payables	-	-	-	474,465	474,465	335,704
Other current liabilities	-	-	-	938,343	938,343	529,665
Total financial liabilities	**-**	**139,501**	**-**	**13,285,459**	**13,424,960**	**865,368**

**Classified as Assets held for sale*

Note 8: Mortgage Debt and Other Liabilities

	2024	2023
Interest bearing liabilities	1,502,136	630,587
Other non-current liabilities	-	1,046
Leasing liabilities	2,534,443	1,795,630
Total non-current debt	**4,036,579**	**2,427,263**
Current portion of non-current debt	974,159	13,345,993
Non-current debt classified as Liabilities directly associated with the Assets held for sale	-	122,572

For maturity profile reference is made to Note 7 Financial market risk, financial instruments. Current portion of non-current debt includes the next twelve months installments.

The reinstated debt to credit institutions from October 2020 was recognized at its fair value in 2020. When the fleet loan in Solstad Shipholding was repaid on 16 January 2024 the remaining of the balance was booked with MNOK 47 as Other financial expenses and MNOK 32 as Interest charges.

Initial recognition 20.10.2020	**-1,066,639**
Fair value adjustment 01.01.2024*	**-77,350**
Amortization 2024	80,320
Unrealised currency loss	-2,969
Fair value adjustment 31.12.2024	**-**

** Classified as current interest bearing liabilities*

Maximus Settlement

On 22 November 2024 the Group entered into an agreement with MYF Maximus Limited related to settlement of the Residual Claim, reference to note 2. The Maximus Settlement involved a repayment of the Residual Claim with MUSD 91.45 and MNOK 200, and forgiveness of the remaining MNOK 868 of the total claim. The Residual Claim has been classified and booked as a leasing liability in accordance with IFRS 16. The debt forgiveness of MNOK 868 was booked as a reduction of the Right of Use asset on the vessel.

Solstad Offshore maintains operational control over the vessel under a bareboat agreement for a 5-year firm period until October 2027 and options for further 10 years with a subsidiary of Solstad Maritime Holding AS. The Company has an option to purchase the vessel after 5 or 10 years. The agreement includes a profit split-element, whereby the owner of the vessel will be entitled to 50% of the net profit if the vessel is sold less than 12 months after the purchase option date.

Total lease obligation for Normand Maximus amounts to MNOK 1,952 (MNOK 3,625 in 2023), where the full amout is related to the leasing agreement.

Book value of pledged assets:	2024	2023
Bank deposits and cash equivalents	381,835	501,014
Account receivables	750,653	312,428
Vessels	1,446,439	1,297,543
Pledged assets included as held for sale	-	12,474,140
Total carrying value	**2,578,928**	**14,585,126**

All owned vessels are placed as security for the mortgages.

Covenants

Solstad Offshore ASA is subject to various financial covenants under its prevailing financing agreements. The maturity date for the Solstad Offshore ASA Refinancing related to the discharge of the Residual Claim are 19 November 2027 and 21 November 2029 respectively for the term and revolving credit facility with DNB Bank ASA (MNOK 1,135 outstanding). The maturity date for the underlying vessel financing in Normand Intstaller SA with ING is 15 December 2026 (not consolidated). The Group's financing of four vessels financed with the Brazilian development bank, BNDES, is financed under four cross collateralised loan agreements with cash sweep mechanism, following amendments to these financing agreements in 2022. Maturity is November 2026, June 2027, December 2027 and March 2031 respectively (MNOK 642 outstanding).

The loan agreements include customary security provisions including cross-collateralized mortgaged over relevant vessels, assignment of insurances and earnings, pledges over shares, assignment of any relevant intra-group loans, assignment over any monetary claims under any hedging agreements (if relevant), pledge over bank accounts, step-in rights/direct agreements with respect to management agreements and such other security as reasonably required by the banks. Of the Group's senior secured facilities, the loan agreements in Solstad Shipholding AS and Solstad Superior AS was guaranteed by the Company. The Company's guarantee liabilities for the 2020 fleet loan were released on completion of the refinancing of the Solstad Maritime group 16 January 2024, and on 22 November for the Solstad Superior AS financing. The loan agreements entered into in Solstad Shipping Ltda is guaranteed by Solstad Shipholding AS, while the facility agreement in Solstad Navegacao Maritimos Ltda is guaranteed by both Solstad Shipholding and Solship Invest 3 AS. The loan agreements in NISA Ltd is not guaranteed.

Solstad Offshore ASA (consolidated level - quarterly measurement)

1. Positive working capital
2. Min free liquidity: Available Cash min MUSD 30 including undrawn part of Revolving Credit Facility (MUSD 20)
3. Leverage ratio < 3.50x (first time measured 30 June 2025)
4. Market Capitalisation > MUSD 120
5. FMV for allocated vessel(s) > MUSD50

Normand Installer SA (company level - quarterly measurement) (50.1%)

1. Positive working capital
2. Minimum free liquidity MUSD 0.25
3. Minimum MVC 200%

Solstad Shipping Ltda and Solstad Navegacao Maritimos Ltda

1. No applicable financial covenants

There are no financial covenants linked to the BNDES loan agreement in Brazil, however there is a cash sweep mechanism in the loan agreement, in which the Company is closely monitoring.

In addition to the financial covenants the loan agreements include customary provisions related to operational aspects related to acceptable ship registries, bareboat registrations, class requirements, information undertakings, sanctions provisions and such other requirements as reasonably required under bank financing agreements.

The Company is in compliance with all the covenants related to bank loan agreements at year-end 2024, and expect to be in compliance for the next 12 months.

Borrowing cost and interest relief:	2024	2023
Capitalization borrowing cost	12,326	7,022
Capitalized borrowing costs included in Liabilities directly associated with the Assets held for sale	-	-

Borrowing cost is presented net with the loans and is amortized until maturity of the loan. Borrowing cost of MNOK 13 has been incurred during 2024, relating to the Maximus settlement and refinancing of the residual claim.

Other non-current liabilities
Other non-current liabilities is MNOK 0 (MNOK 1 in 2023). The convertible loans are no longer relevant due to the refinancing on 16 January 2024, and the loans were set to zero and a gain of MNOK 1 was booked as other financial income.

Solstad Offshore ASA has not issued any Parent Company Guarantees.

Changes in liabilities arising from financing activities

	1 January 2024	Fair value adjustment	Cash flows*	Other**	Included as Liabilites directly associated with the assets held for sale	31 December 2024
Current interest bearing liabilities***	11,380,520	-	-11,636,175	532,438	-	276,782
Non-current interest bearing liabilities	630,587	-	1,095,412	-223,862	-	1,502,136
Current leasing obligations	1,965,474	-	-1,637,689	369,593	-	697,377
Non-current leasing obligations	1,795,630	-	-	738,814	-	2,534,443
Other non-current liabilities	1,046	-	-	-1,046	-	-
Total liabilities from financing activities	**15,773,256**	**-**	**-12,178,453**	**1,415,936**	**-**	**5,010,739**

** Changes in cash flow related to current and non-current interest bearing liabilities is presented in aggregate in cash flow line Repayment of non-current debt*
*** For leasing liabilities, other changes includes additions, currency effects and change in portion classified as non-current. It also includes intrests on Maximus residual claim which are not paid.*
For interest bearing liabilities, other changes includes amortisation of debt recognized in 2020 at fair value, currency changes and change in portion classified as non-current.
**** A cash inflow of BNOK 11.3 was received from Solstad Maritime following the deconsolidation of that group on 16 January 2024. All vessels included in the fleet loan was part of the Solstad Maritime group, but the fleet loan remaind in Solstad Offshore. An internal loan between SOFF and Solstad Maritime existed but was eliminated in the Group before the deconsolidation. Following the deconsolidation the loan was repaid by Solstad Maritime and the funds used to repay the external fleet loan.*

	1 January 2023	Fair value adjustment	Cash flows*	Other**	Included as Liabilites directly associated with the assets held for sale	31 December 2023
Current interest bearing liabilities	2,460,689	-	-8,146,167	17,065,998	-	11,380,520
Non-current interest bearing liabilities	16,637,362	-	-	-16,006,775	-	630,587
Current leasing obligations	147,113	-	-148,075	1,988,495	-22,059	1,965,474
Non-current leasing obligations	3,564,963	-	-	-1,668,820	-100,513	1,795,630
Other non-current liabilities	1,046	-	-	-	-	1,046
Total liabilities from financing activities	**22,811,173**	**-**	**-8,294,242**	**1,378,897**	**-122,572**	**15,773,256**

**Changes in cash flow related to current and non-current interest bearing liabilities is presented in aggregate in cash flow line Repayment of non-current debt*
*** For leasing liabilities, other changes includes additions, currency effects and change in portion classified as non-current. It also includes intrests on Maximus residual claim which are not paid.*
For interest bearing liabilities, other changes includes amortisation of debt recognized in 2020 at fair value, currency changes and change in portion classified as non-current.

Note 9: Property, Plant and Equipment

	Vessel	Other assets	Total
Acquisition cost 01.01.2024	14,587,974	208,600	14,796,574
Acc. depreciation/ impairment 01.01.2024	-13,407,168	-190,890	-13,598,058
Carrying value 01.01.2024	**1,180,806**	**17,710**	**1,198,516**
Additions	13,997	1,750	15,746
Disposals	-	-2,237	-2,237
Transfer to asset held for sale	-	-	-
Translation differences	133,898	7,786	141,684
Cost price 31.12.2024	14,735,869	215,899	14,951,767
Acc. depreciations/ impairment 31.12.2024	-13,450,649	-202,512	-13,653,161
Carrying value 31.12.2024	**1,285,220**	**13,386**	**1,298,606**
Depreciation current period	-43,481	-5,880	-49,361
Impairment current period	-	-5,742	-5,742

	Vessel	Other assets	Total
Acquisition cost 01.01.2023	30,094,706	212,130	30,306,836
Acc. depreciation/ impairment 01.01.2023	-13,280,522	-183,747	-13,464,269
Carrying value 01.01.2023	**16,814,184**	**28,383**	**16,842,567**
Additions	157,512	9,123	166,636
Disposals	-	-7,624	-7,624
Transfer to asset held for sale	-15,677,019	-6,433	-15,683,451
Translation differences	12,775	1,403	14,178
Cost price 31.12.2023	14,587,974	208,600	14,796,574
Acc. depreciations/ impairment 31.12.2023	-13,407,168	-190,890	-13,598,058
Carrying value 31.12.2023	**1,180,806**	**17,709**	**1,198,515**
Depreciation current period	-487,644	-6,717	-494,361
Impairment current period	360,998	-425	360,572

Capitalized periodic maintenance	2024	2023
Capitalized periodic maintenance at 01.01	116,737	789,537
Additions this year	80,397	573,458
Disposal this year	-	-
Transfer to asset held for sale	-	-1,018,367
Depreciation this year	-44,991	-213,726
Impairment this year	-	-26,719
Translation differences	9,076	12,555
Capitalized periodic maintenance at 31.12	**161,220**	**116,737**

Specification of change in Assets held for sale for tangible fixed assets (Reference Note 5 Assets held for sale):

	Vessels	Capitalized periodic maintenance	Other assets	Total
Opening balance 01.01.2024	**9,898,380**	**512,819**	**6,433**	**10,417,631**
Deconsolidation Solstad Maritime	-9,898,380	-512,819	-6,433	-10,417,631
Closing balance 31.12.2024	**-**	**-**	**-**	**-**

Each part of a fixed asset that is significant to the total cost of the item are separately identified and depreciated over that component's useful lifetime. Assumed physical lifetime for all categories are 30 years, while estimated useful life for Solstad is 20 years (will be changed to 25 years with prospective effect from Janaury 2025). The useful life of a vessel is adjusted if there are factors indicating increased timeframe for utilization of the vessel. Estimation of residual value are based on market values/ brokers values in the beginning of the year. The brokers' values, sales related expenses deducted, are multiplied with a factor dependent on the vessels age. The factor is 50% for a new build, increasing to 100% for a 20 year old vessel. Periodic maintenance is depreciated over the period until the next planned interimand main docking takes place, respectively. The normal interval is five years for both interims- and main docking. The depreciation rate for other equipment is 3 to 10 years. Vessels with a book value of MNOK 1,446 (MNOK 11,763 in 2023) are held as a guarantee for the Group's loans, see note 8 Mortgage Debt and Other Liabilities.

There is no capitalized interest in 2024 or 2023.

Impairment Valuation of PPE

Quarterly, the Group assesses whether there is any impairment indicators of the fixed assets, or if there are indicators that prior period impairment loss no longer exists or have decreased. If such indicators exist the recoverable amount of the assets are estimated. Budget and forecasts for the next five years (2025-2029) show continued high activity and stabilization of the market at a strong level, especially in the CSV/renewable segment. For the CSVs there are indicators that reversal of impairment could be done. The AHTS vessels in the fleet are increasing in age, and extensive CapEx investments would be necessary the next years. Also the rate level for these vessels have been adjusted to a lower level than prior forecasts.These factors indicate the need for revaluation of the AHTS vessels.

The recoverable amount is the highest of an assets calculated value in use or fair value less cost to sell. The recoverable amount was calculated for all vessels with impairment indicators, and for vessels where a reversal of impairment could be relevant. Fair value is calculated using broker values unless there are available estimates for sales values. Broker value is set as an average of three acknowledged, independent brokers. Each vessel is considered a separate cash generating unit. The value in use-calculations are based on budget and long-term forecast (5 years). For the vessels tested, value in use was the basis for the recoverable amount.

The main assumptions used in the computations are charter rates, utilization, escalation of expenses, operational area and weighted average cost of capital (WACC).

Discount Rate

The discount rate is based on a weighted average cost of capital (WACC) for the Group. The cost of equity is derived from the 10-year USD interest rate for state bonds (risk-free interest rate), market risk premium and an unlevered beta (Damodaran for Western Europe). The debt element of the discount rate is based on the risk-free interest rate, plus a premium equivalent to the difference between risk-free interest rate and market rates. The rate is a post-tax rate. The discount rate used for 2024 is 13.5%.

Income Assumptions

For vessels having firm contracts, revenue is based on the current contracts. For vessels without firm contracts, and for vessels where the firm contract expires during the period, revenue is based on expected utilization and charter day rates in the vessels assumed operational area over the prognosis period. Day rates are expected to gradually increase over the prognosis periode. Market rates after year-end gives support to estimated rate levels in the early prognosis periode. Market uncertainty is reflected in the assumptions, based on managements assessment and market analysis provided from independent third parties.

Inflation

No inflation of income in 2025, while operating expense is adjusted for inflation by 2%. This is consistent throughout the prognosis period.

Residual Values

Estimated residual values used in the value in use calculations are set using the same principle as for the ordinally depreciations, but has been adjusted to reflect the change to 25 year useful life. Initially the value is set to 37.5% of cost price, expected cost of sale deducted, and adjusted according to changes in broker valuations. The assumption is that the broker values decline by 2.5% per year, until the vessel is 25 years old. It is assumed that the vessels are disposed after 25 years in operation. Average life of the core fleet is 15 years, with respectively 19 years average for the AHTS vessels and 12 years for the CSV vessels.

Impairment Testing

The Group tested 3 AHTS vessels for impairment, and one CSV for reversal of impairment. A total net reversal of impairments of MNOK 529 has been recognized in Impairment of fixed assets in 2024.

	Total
Normand Maximus - Right of use asset (1)	-534,303
Other impairments - Other assets (2)	5,742
Total impairment /reversal of impairment (-)	**-528,561**

(1) Reversal of impairment of MNOK 534 is related to the Right of Use asset of Normand Maximus. The vessel has showed solid operating results over time, and the updated five year plan supports continued strong operating results. The charter rates in the forecast are supported by firm contracts until end of 2026. Further reference is made to Note 10 Right-of-use assets.

(2) An impairment of MNOK 6 has been booked for Other assets related to the leased office in Ålesund (Skansekaia). The company having the long term lease of the building filed for bankruptcy in November 2024. All Other assets related to building were impaired. The right of use asset was deconsolidated in November 2024 following the bankruptcy.

Sensitivity and Scenario Calculations

The sensitivity of the value-in-use-calculations for the vessels with impairment or reversal of previously impaired assets, is analyzed by altering the key assumptions; discounting rate, utilization and day rates. A change of discounting rate by +1% point and +2% points indicates a potential impairment between MNOK 34-39. A yearly change in utilization for the prognosis period bringing the income down by 3-6%, indicates a potential impairment between MNOK 46-63. The Group has recognized significant reversal of impairments in the years 2022-2024 due to continued improved market conditions. As of 31 December 2024 remaining room for reversal of prior year impairments exists for the AHTS vessels at around MNOK 80. For the CSVs there are no prior year impairments to be reversed. If rates/utilization increases more rapidly than Group's expectations the vessel values are sensitive to further reversals of previous year's impairment, reference made to Note 2.

Climate-Related Matters

The Group constantly monitors the latest regulatory changes in relation to climate-related matters. A climate scenario analysis has been conducted during 2024 to assess the resilience of the Groups strategy and business model. The climate scenarios are compatible with the assumptions made in the financial statements.

Regulatory changes in climate requirements may impact future cash inflows for the Company. It is however not expected to have any significant effect on the Group's OpEx, as higher fuel prices due to CO_2 levies or the cost of green fuels will for the most part be forwarded to our clients. Based on the management's judgements as of 31 December 2024 no material effects are identified for the prognosis period.

Changes in environmental requirements may impact the residual value and economical lifetime in the future. To effectively meet short-term sustainability goals, implementing measures to enhance operational energy efficiency stands out as the optimal solution for curbing emissions. Transitioning to green technologies, battery hybrid and/or shore power upgrade proves currently to be the most advantageous. It is expected that certain charterers will demand green investments in vessels for future contracts in the medium term (2-5 years), but this is expected to be supported by increased charter rates as well. The boar approved forecasts for the vessels do not include green investments as of 31 December 2024.

Long-term sustainability goals require newbuild programs and new technology to be in place. There are currently limited newbuild programs, but certain green technology has become available. It is assessed unlikely that significant additional capacity will be added in the market in short term. Rebuilding existing vessels to decarbonize and building new low-emission vessels come at an increased financial cost. We need support from our clients including long-term commitments to install new green technology for us and them to reach future emission reduction targets.

The Group's vessels are high-end, large offshore vessels, and an increasingly worsened climate and weather are not expected to affect the usability of the existing fleet.

Based on this, the Company assesses that residual values and economic lifetime of existing vessels are not materially reduced in today's market. This could however change in the future.The Company will adjust the key assumptions used in value-in-use calculations and sensitivities to relevant parameters should changes occur (Reference Note 2).

Assets Held for Sale and Gain/Loss on Sale of Assets

Assets held for sale consisted of the Solstad Maritime group as of 31 December 2023, which was deconsolidated and booked as an associate as of 16 January 2024. No Property, plant and equipment are held for sale as of 31 December 2024 (reference note 5).

The Group has recognized a total gain of MNOK 31 on Gain/-loss on sale of assets. This is mainly related to two deconsolidations during the year. Only minor other assets are sold during the year.

	2024
Deconsolidation Solstad Maritime (reference note 15)	-240
Deconsolidation Skansekaia Drift (reference note 10)	31,066
Minor gains/losses (-)	307
Total gains/losses (-)	**31,133**

Note 10: Right-of-use Assets

	Right-of-use assets				
	Vessels	Equipment	Office	Total	Lease liabilities
Opening balance 01.01.2024	**2,699,030**	**-**	**90,317**	**2,789,346**	**3,761,103**
Other adjustments (1)	-576,192	-	8,024	-568,168	-440,769
Additions (2)	1,098,823	72,439	5,209	1,176,470	1,176,470
Disposals (3)	-	-	-94,724	-94,724	-127,458
Translation differences	318,087	826	10,684	329,596	336,745
Depreciation	-738,977	-14,067	-15,630	-768,675	-
Impairment (4)	534,303	-	-	534,303	-
Interest expense	-	-	-	-	419,173
Lease payments (5)	-	-	-	-	-1,893,445
Closing balance 31.12.2024	**3,335,073**	**59,197**	**3,878**	**3,398,149**	**3,231,820**

	Right-of-use assets			
	Vessels	Office	Total	Lease liabilities
Opening balance 01.01.2023	**3,159,924**	**185,889**	**3,345,813**	**3,712,076**
Other adjustments	23,958	7,938	31,896	31,896
Additions	58,240	7,736	65,976	65,268
Disposals	-68,788	-	-68,788	-74,322
Translation differences	-4,790	462	-4,328	91,838
Depreciation	-420,354	-27,142	-447,496	-
Impairment	-	-17,002	-17,002	-
Interest expense	-	-	-	438,658
Lease payments	-	-	-	-381,739
Transferred to assets held for sale and/or liabilities directly associated with the assets held for sale	-49,159	-67,565	-116,724	-122,572
Closing balance 31.12.2023	**2,699,030**	**90,317**	**2,789,346**	**3,761,103**

The following are the amounts recognised in profit or loss:	2024	2023
Depreciation expense of right-of-use assets	768,674	447,496
Interest expense on lease liabilities	419,173	438,658
Variable lease payments expensed in the period*	-	68,890
Operating expenses in the period related to current leases	216,214	225
Total lease expenses included in other operating expenses	**1,404,062**	**955,270**

**The Group had two vessels on lease with variable lease payments in 2023.*

The Group had total cash outflows for leases of MNOK 1,893 in 2024 (MNOK 382 in 2023).

(1) Other adjustments include an adjustment of the Right of Use asset of Normand Maximus of MNOK 932 following the Maximus Settlement and forgivenes of the remaining amount of the Residual Claim. Reference to note 2 and 3.

(2) Additions of MNOK 1,176 is related to leases of vessels from Solstad Maritime to the Group following the deconsolidation of Solstad Maritime with MNOK 1,099 and leases of two ROVs on Maximus of MNOK 72. The remaining amount of MNOK 5 is related to a new lease of offices in Brazil.

(3) The disposal on Right of use office of MNOK 95 and lease liability of MNOK 127 is related to the leased offices in Ålesund, due to the deconsolidation of Skansekaia Drift AS following the bankruptcy of the company in November 2024. The net amount of negative MNOK 33 is also the main part of the gain recognized from deconsolidation of the company, reference note 9.

(4) Reversal of impairment of MNOK 534 is related to Normand Maximus, reference note 9, due to new contract confirming the forecasts in the five-year model.

(5) Lease payments of MNOK 1,214 is payment of the Residual claim following the Maximus Settlement, reference note 8.

Impairment Testing of Right-of-Use Assets
No impairment indicators has been identified by the Company related to the right of use assets. A reversal indicator was identified for the Maximus lease related to securing firm contracts for future periods, confirming the forecasts for the vessel. Based on value-in-use-calculation for the vessel a reversal of impairment of MNOK 534 was recognised in 2024. Further reference is made to Note 9 Property, Plant and Equipment.

Normand Maximus
The right of use asset for Maximus is MNOK 2,241 (MNOK 2,699 in 2023) and lease liability is MNOK 1,952 (MNOK 3,625 in 2023). The net decrease in right of use asset is related to reversal of impairment of MNOK 534, offset by the right of use adjustment of negative MNOK 932 and depreciations and revaluations in the period. The net decrease in the lease liability is related to payment of the residual claim of MNOK 1,213, installments of the lease of MNOK 148, debt foregivness of MNOK 865 and remaining effects related to interests of the residual claim of MNOK 152 (increase the liabiliyt) and revaluation. The residual claim is included in the lease obligation with MNOK 0 (MNOK 1,833 in 2023). Reference is made to Note 8 - Mortgage Debt and Other Liabilities.

Guarantee
Vessel lease liability related to the residual claim was guaranteed by the Parent Company with MUSD 161 plus accumulated interests, but as part of the Maximus settlement in November 2024, the Parent company was released from the guarantee, further reference is made to Note 3.

Variable Lease Payments
The Company had no vessels on lease with variable lease payment in 2024, as the contract for the two vessels on lease with variable lease payments was terminated in November 2023. The total payments for 2023 was MNOK 68.9.

Group as a Lessor
As mentioned in note 6, the agreed day rate invoiced to customers is divided into a service element and a lease element. The service element includes the maritime services provided to navigate the vessel according to the customers requirements, while the lease element is the estimated rental of the vessel (equipment).

The Company owns a gangway that is leased out to customers on a daily rate. The leases has been short term in 2024, and the lease is treated as an operational lease.

For the future minimum rentals receivable under non-cancellable operating leases, see note 6.

Note 11: Financial Items

Financial items	2024	2023
Interest expense	-569,890	-1,683,318
Interest income	79,110	131,700
Net currency gain/ loss (-)	182,438	-31,554
Income from investment in associates	600,234	-4,824
Income from investment in joint ventures	90,482	19,935
Gain/ loss (-) financial derivatives	-	1,500
Gain sale of shares	914	-
Impairment of shares	-3,171	-
Dividends	-	900
Gain fair value warrants	1,048	-
Other financial income/ -expenses (-)	-74,044	-13,218
Net financial items	**307,121**	**-1,578,879**

Other financial income of MNOK 184 consists mainly of MNOK 182 in net currency gain.

Net currency gain is mainly relating to unrealized currency gain and -loss on assets and liabilities in foreign currency, change in currency rates in the period from posting of invoices and actual timing of payments, and realised currency gain and -loss related to repayment of loan.

Other financial expenses of MNOK 77 consits of IFRS 9 fair value adjustment remaining balance of MNOK 47 (the remaining balance of MNOK 32 was booked as interest cost). MNOK 3 is booked as impairment of shares in Omega Subsea Robotic, following the “Omega agreement”, reference note 15. Other financial income/expenses are MNOK 27.

Gain on fair value warrants is relating to gain on warrants from the 2020 refinancing not exercised.

Note 12: Other Expenses, Wages, Employees and Distinctive Contributions

Other operating expenses:	2024	2023
Technical expenses	137,218	435,049
Bunker and lube oil	18,217	172,948
Insurance	3,456	110,074
Project expenses	254,219	912,377
IT, communications and other expenses	155,535	186,730
Total other operating expenses	**568,645**	**1,817,179**
Wages and personnel expenses:		
Employees, vessels	640,690	1,592,920
Employees, administration	76,222	330,718
Total employee expenses	**716,912**	**1,923,638**
Wages and employee expenses:		
Wages	499,822	1,358,883
Social security	103,550	237,362
Pension expenses	43,876	31,209
Other benefits	44,175	65,662
Traveling expenses, courses and other personnel expenses	25,488	230,520
Total employee expenses	**716,912**	**1,923,638**
Average number of FTEs continuing operations*	569	2,135
Average number of FTEs discontinuing operations (not reflected in numbers above)	-	730

** in addition to employed FTEs, the Company is hiring in crew on all leased vessels.*

Remuneration to Directors, Managing Director and Auditors
Following the refinancing and deconsolidation of Solstad Maritime, the Group has hired executive managment from Solstad Maritime. The remuneration of the hired executives is presented in the table with 100% of their total salary. The executives fixed remuneration, other benefits and pension cost is allocated to Solstad Offshore ASA with 75% for CEO and 14% for CFO, COO and CCO. The variable bonus remuneration is allocated with 30% to Solstad Offshore ASA.

2024 (100% basis)	Wages	Bonus	Other benefits	Pension cost
Lars Peder Solstad (CEO)	5,804	1,933	213	133
Kjetil Ramstad (CFO)	2,583	1,291	18	126
Tor Johan Tveit (COO)	2,211	1,106	21	127
Hans Knut Skår (CCO)	2,216	1,108	19	133
	12,818	**5,440**	**271**	**519**

2023 (100% basis)	Wages	Bonus	Other benefits	Pension cost
Lars Peder Solstad (CEO)	5,458	2,729	210	122
Kjetil Ramstad (CFO)	2,429	2,429	17	116
Tor Johan Tveit (COO)	2,079	2,079	17	117
Hans Knut Skår (CCO)	1,042	1,042	8	61
	11,008	**8,279**	**252**	**416**

There are no distinctive agreements regarding remuneration for the Chairman of the Board and neither are there any distinctive bonus or option programmes for any Board Member. No loans have been given to the company management.

The Group's executive bonus system is designed to promote performance in line with the Company's strategy, and is determined by the Company's key performance indicators (KPIs) linked to the Company Priorities, defining clear annual deliverables that are critical for the Company's future.

There are no active warrants programs in the Company per 31 December 2024.

The Chief Executive Officer has a six-month mutual termination period.

Payments to Board of Directors:	2024	2023
Harald Espedal	790	622
Frank O. Reite	487	440
Ellen Solstad	423	325
Peder Sortland	498	411
Ingrid Kylstad	514	411
Thorhild Widwey	-	325

	2024		2023	
Auditors EY	Continuing operation	Discontinuing operations	Continuing operation	Discontinuing operations
Statutory audit	14,576	-	13,553	8,319
Other assurance services	1,300	-	3,836	2,222
Other non-audit services	8,826	-	9,714	1,416
Total	**24,702**	**-**	**27,103**	**11,957**

Audit fees relates to statutory audit of accounts. Other assurance services relates to services required by law. Other non-audit services are fee for compliance services and restructuring process.

Note 13: Government Grants

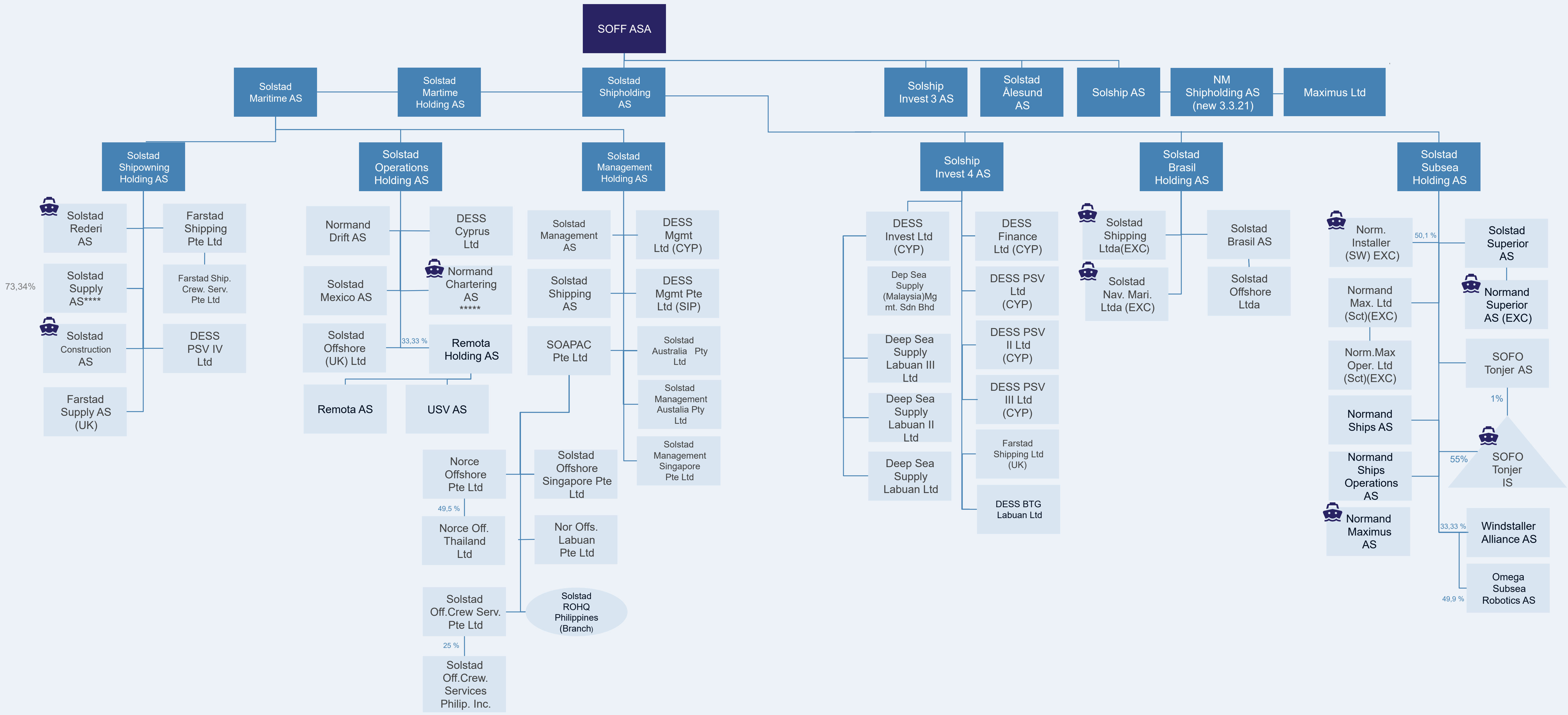
	2024	2023
Net pay scheme at NOR-vessels	4,420	138,430
Grants for environmental measures (EU)	-	8,000
Government grants*	**4,420**	**146,430**

** Continued and discontinued operations*

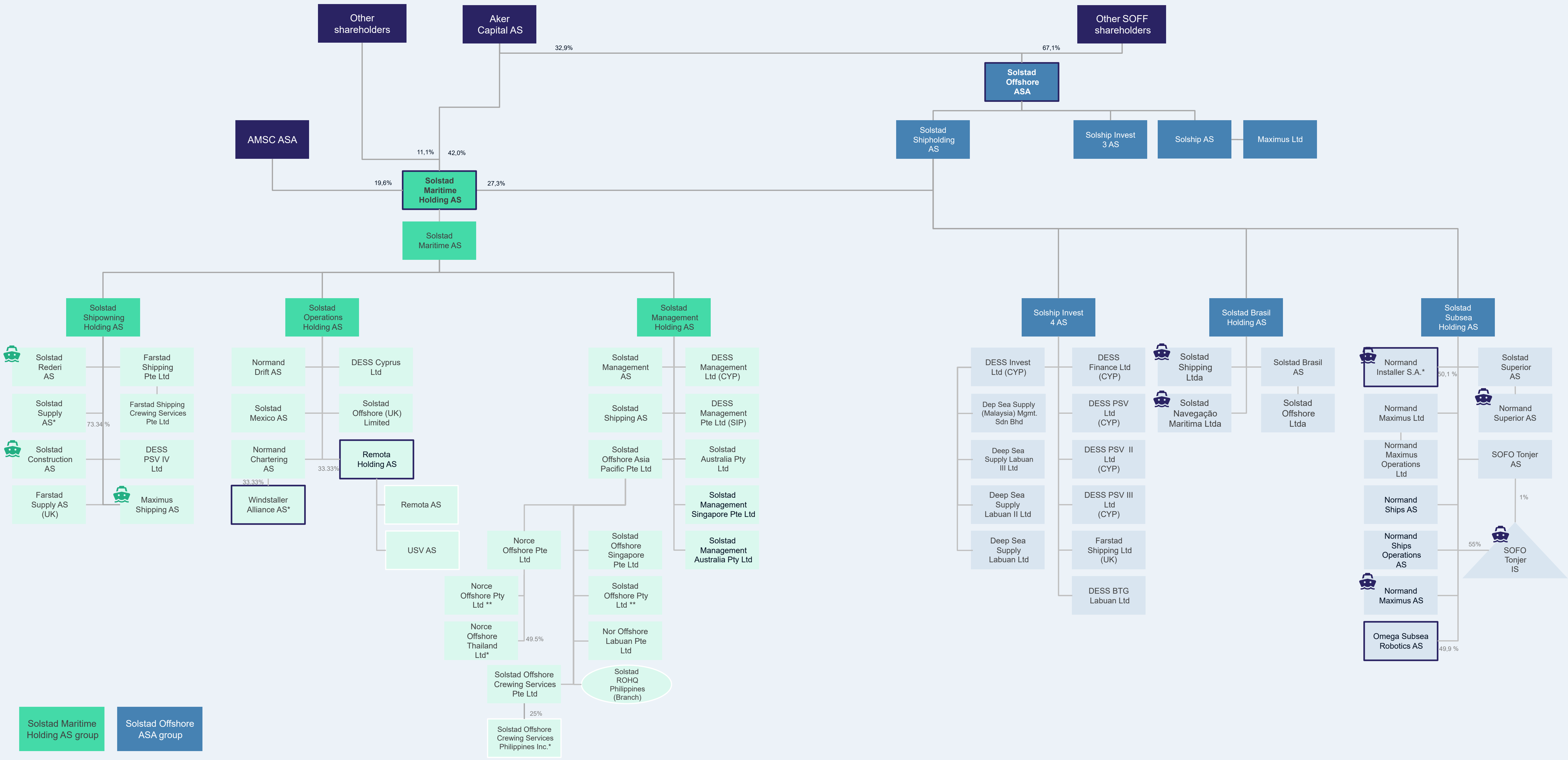
The decrease in Net pay scheme is due to the deconsolidation of Solstad Maritime on 16 January 2024.

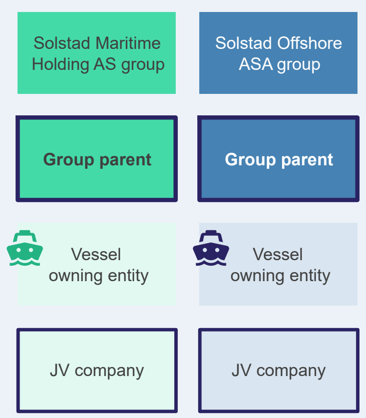
Note 14: Share in Subsidiaries

As of 31.12.2023



Solstad Group(s) structure
Updated 31.12.24





* Solstad Supply AS: Vard Group holds 26.66% of shares
* Norce Offshore Thailand Ltd: Wanchai Raksirivorakul holds 50.5% of shares
* Solstad Offshore Crewing Services Philippines Inc.: ARA Marine Ventures holds 75% of shares
* Windstaller Alliance AS: Aker Solutions AS and DeepOcean InvestCo 1 AS each holds 33.33% of shares
* Normand Installer SA: SBM Holding Inc. S.A. holds 49% of shares
** Company is deregistered with Australian Securities & Investments Commission but outstanding tax reporting obligation with Australian Taxation Office still pending

Note 15: Share in Join Ventures, Associates and Other Investments

The Group accounts consists of the following shares in joint ventures (JV) and associates (AC):

		Place of Business	Ownership	Date of Financial statement
Normand Installer SA (NISA)	JV	Marly, Switzerland	50 %	31/12/2024
Omega Subsea Robotics AS (OSRAS)	JV	Ølen, Norway	50 %	31/12/2024
Solstad Maritime Holding AS (SMH)*	AC	Skudesneshavn, Norway	27.3 %	31/12/2024

** included as associate from 16 January 2024*

Normand Installer SA owns one construction service vessel hired on time charter to a company associated with the other part of the joint venture. Omega Subsea Robitics AS is a lessor of ROVs and other equipment for subsea operations. Solstad Maritime Holding AS main activities are the operation of offshore service and construction vessels. All the above investments are strategic for the Group.

Solstad Maritime Holding AS was deconsolidated from the Group as of 16 January 2024 and included as an associate from the same time, reference note 2 and 3. Maximus Limited is consolidated in the Group as of November, reference note 2 and 3.

Solstad Offshore Crewing Services Philippines and Remota Holding AS was deconsolidated on 16 January 2024 as part of Solstad Maritime Holding AS (reference to note 2 and 3). Windstaller Alliance AS was sold to Solstad Maritime Holding AS on 15 January 2024.

Omega Subsea Robotics AS is classified as Assets held for sale, reference note 5 Assets held for sale.

Deconsolidation and aquisition Solstad Maritime
The effects of deconsolidating Solstad Maritime is specified in the table below:

	Total
Fair value of Solstad Maritime	1,619,727
Derecognition book value of net assets related to Solstad Maritime	-1,649,997
Derecognition book value of non-controlling interests related to Solstad Maritime	30,510
Net loss from deconsolidation of Solstad Maritime 16 January 2024	**-240**

A net loss of MNOK 0.2 has been recognized, mainly related to foreign exchange movement and accounting impacts from repayment of secured debt before maturity date.

The fair value of the transaction is MNOK 1,620. No additional values has been identified through the performed PPA. An impairment of MNOK 578 was recognized in 2023, and allocated to the vessels. Following the transaction, Solstad Maritime has recognized reversal of impairments of MNOK 531, which has not been taken into account in SOFF's share of Solstad Maritimes result. These adjustments leads to adjusted depreciations in the Goroups share of result, with MUSD 3,042 adjusted for in 2024.

Consolidation Maximus Limited
Following the Maximus Settlement (reference note 3) Maximus Limited was consolidated into the Group, as the Group gained full control of the company. The effect of gaining control is payment to the lenders of MNOK 200 less the fair value of the company after the settlement set to MNOK 64, which is the book value of equity (mainly cash), net of taxes following the transaction.

Joint Ventures

	2024			2023		
	NISA	OSRAS	Total	NISA	OSRAS	Total
Cost price 01.01.	1,631	41,479	43,111	1,631	7,484	9,115
Acc result and adjustments	146,533	-989	145,544	147,120	-	147,120
Book value 01.01.	**148,164**	**40,490**	**188,655**	**148,751**	**7,484**	**156,235**
Share of result	86,310	4,172	90,482	20,924	-989	19,935
Capital increase	-	11,998	11,998	-	-	-
Impairment	-	-3,171	-3,171	-	-	-
Other adjustments	18,374	5,248	23,622	-21,510	33,995	12,485
Book value 31.12.	**252,848**	**58,737**	**311,585**	**148,164**	**40,490**	**188,655**
Balance sheet:						
Bank deposit and cash equivalents	153,476	-338		22,958	69,539	
Current assets	127,714	4,922		46,835	4,628	
Non-current assets	467,024	381,370		539,654	50,216	
Current liabilities	-118,276	-974		-78,062	-3,362	
Non-current financial liabilities	-217,651	-272,169		-235,057	-40,000	
Net Assets	412,286	112,810		296,329	81,022	
Revenues and profit:						
Revenues	348,396	64,414		177,709	32,497	
Operating expense	-134,606	-3,397		-71,608	-18,294	
Depreciations	-34,077	-40,054		-36,907	-12,861	
Financial income	2,913	381		1,970	271	
Interest expense	-21,881	-12,999		-32,019	-3,418	
Result before tax	160,745	8,346		39,145	-1,805	
Result	160,255	8,346		41,847	-1,408	

Associates

	2024				
	SMH	SOCS	WAAS	REMO	Total
Cost price 01.01.	-	385	164	46,001	46,550
Acc result and adjustments	-	1,723	417	-5,202	-3,063
Book value 01.01.	**-**	**2,108**	**581**	**40,798**	**43,487**
Purchase	1,619,727	-	-	-	1,619,727
Deconsolidation/sale	-	-2,108	-581	-40,798	-43,487
Share of result (2)	600,234	-	-	-	574,643
Other adjustments (1)	80,317	-	-	-	80,317
Book value 31.12.	**2,300,278**	**-**	**-**	**-**	**2,747,687**
Balance sheet:					
Current assets	3,998,177	-	-	-	
Non-current assets	15,173,420	-	-	-	
Current liablilities	3,083,145	-	-	-	
Non-current financial liabilities	7,247,899	-	-	-	
Net assets	8,840,553	-	-	-	
Revenues and profit:					
Revenues	6,014,151	-	-	-	
Operating expense	3,268,391	-	-	-	
Financial income	-542,668	-	-	-	
Result before tax	2,203,092	-	-	-	
Taxes	411,697	-	-	-	
Result	2,614,789	-	-	-	

(1) Other adjustments include a negative effect of received dividend of MNOK 63

(2) Share of result

Reconciliation share of profit SMH (TUSD)	
Result SMH 100%	239,958
Result prior to deconsolidation 16 January 2024	-3,949
Reversal of impairment not recognized in SOFF	-47,852
Net result after 16 January 2024	188,157
SOFF share 27.3%	51,316
Adjusted depreciations due to impairment/impermant reversals	3,042
Net result recognized	54,358
Net result recognized TNOK	**600,234**

	2023			
	SOCS	WAAS	REMO	Total
Cost price 01.01.	385	164	-	549
Acc result and adjustments	1,727	47	-	1,774
Book value 01.01.	2,112	212	-	2,323
Share of result	271	369	-5,202	-4,563
Other adjustments	-274	-	46,001	45,726
Book value 31.12.	**2,108**	**581**	**40,798**	**43,487**
Balance sheet:				
Current assets	20,571	1,078	9,108	
Non-current assets	2,768	-	137,910	
Current liablilities	16,936	456	22,867	
Non-current financial liabilities	-	-	-	
Net assets	**6,403**	**622**	**124,152**	
Revenues and profit:				
Revenues	14,264	57,604	2,733	
Operating expense	12,693	56,121	-7,979	
Financial income	10	63	-108	
Result before tax	1,561	1,420	-5,354	
Taxes	607	312	152	
Result	**973**	**1,108**	**-5,202**	

Financial assets at fair value - non-current

	2024		2023	
Unlisted shares	Share	Book value	Share	Book value
Bleivik SIM Holding AS (Classified as assets held for sale)	-	-	29,54 %	2,991
Hafast AS (Classified as assets held for sale)	-	-	2,64 %	-
Total		**-**		**2,991**

The shares in Bleivik SIM Holding AS and Hagast AS was deconsolidated on 16 January 2024 as part of Solstad Maritime Holding AS.

Investments in shares - current

	2024			2023		
Listed shares	Cost price	Share	Book value	Cost price	Share	Book value
Reach Subsea ASA (Classified as assets held for sale)	-	-	-	10 000	5,48 %	22,500
Total			**-**			**22,500**

The shares in Reach Subsea ASA was deconsolidated on 16 January 2024 as part of Solstad Maritime Holding AS.

Subsidiaries with Significant Non-Controlling Interests

The Group have one subsidiary with significant non-controlling interests (NCI) as of 31th Desember 2024. Solstad Supply AS was deconsolidated on 16 January 2024 as part of Solstad Maritime Holding AS. Information regarding this is as follows (NOK 1,000):

2024 Name	Country	NCI	Result allocated to NCI	Accumulated NCI	Paid dividend
SOFO Tonjer IS	Norway	44%	31,749	58,851	-

2023 Name	Country	NCI	Result allocated to NCI	Accumulated NCI	Paid dividend
Solstad Supply AS (classified as Asset held for sale)	Norway	27%	3,521	-29,737	-
SOFO Tonjer IS	Norway	44%	3,185	27,056	-

Capital was called upon in SOFO Tonjer IS in 2023, with MNOK 41.58. MNOK 27.4 was contributed by minority interest.

2024

Condensed financial statement	SOFO Tonjer IS
Non-current assets	117,369
Current assets	79,959
Total assets	**197,328**
	-
Non-current liabilities	-
Current debt	23,188
Total liabilities	**23,188**
Income	114,537
Result after tax	**71,467**

2023

Condensed financial statement	Solstad Supply AS	SOFO Tonjer IS
Non-current assets	-	80,016
Current assets	88,111	39,481
Total assets	**88,111**	**119,497**
Non-current liabilities	813	-
Current debt	42,078	16,824
Total liabilities	**42,891**	**16,824**
Income	21,708	51,238
Result after tax	**13,233**	**7,009**

Note 16: Insurance Settlements

When damages occur to vessels or equipment that are reported as insurance cases, the Group pays for the repairs in advance. The following compensation has been received from the insurance companies (Continued and discontinued operations):

	2024	2023
Received compensation	27,976	75,447

Insurance deductible per damage is included in Other operating expenses. Charter revenue includes recognition of Loss of Hire-revenues of MNOK 6 and MNOK 75 for the two last years respectively.

Note 17: Share Capital, Shareholders and Treasury Shares

	Shares	Share capital	Treasury
01/01/2024	**82,346,796**	**82,347**	**-**
31/12/2024	**82,346,796**	**82,347**	**-**
01/01/2023	**77,308,609**	**77,309**	**-**
Capital increase privat placement	5,038,187	5,038	-
31/12/2023	**82,346,796**	**82,347**	**-**

Capital increase by private placement is related to the Chief Executive Officer exercice off warrants to purchase 5,038,187 shares, through Jarsteinen AS. In connection with the Restructuring in 2020, and on the basis of a resolution by the Company's shareholders' meeting, the Company's CEO, Lars Peder Solstad, and the Company entered into a warrant agreement whereby Lars Peder Solstad received 5,038,187 standalone rights to subscribe new shares in the Company. The warrants were exercised on 20 October 2023, increasing share capital to 82,346,796. Refer to statement of changes in equity and stock exchange announcement dated 24 October 2023.

As of 31 December 2024 there are no warrants that could be exercised for any unsettled debt after disposal of vessels held for sale. As of 16 January 2024 all remaining debt on these vessels were repaid.

At 31.12.24 the Company's share capital represents 82,346,796 shares at NOK 1.
At 31.12.23 the Company's share capital represents 82,346,796 shares at NOK 1.

The number of shareholders at 31.12.24 was 8,257.
The number of shareholders at 31.12.23 was 9,832.

The Chief Executive Officer holds 6,035,966 shares through Jarsteinen AS.

As at 31 December 2024 the Group had 124 treasury shares* with cost price of MNOK 9.6. As at 31 December 2023 the Group had 139 treasury shares with cost price of MNOK 9.6 (acquired in 2019).

**15 additional treasury shares are held by Skansekaia Drift AS which was deconsolidated from the Group as of November 2024 due to bankruptcy.*

Top 10 as of 31.12.2024	Number of shares	Ownership
Aker Capital AS	27,089,493	32.90%
Kistefos AS	12,657,171	15.37%
Jarsteinen AS	6,035,966	7.33%
Kistefos Investment AS	4,000,000	4.86%
Østlandske Pensjonistboliger AS	2,364,317	2.87%
Magnus Leonard Roth	1,500,000	1.82%
Songa Capital AS	1,411,040	1.71%
Vartdal Invest AS	1,000,000	1.21%
Olymic Group AS	871,224	1.06%
Maisra Inversion SIL	764,500	0.93%
Minority shareholders	24,653,085	29.94%
	82,346,796	100%

Note 18: Earnings per Share

Earnings per share are calculated by dividing the Group majority result by the average number of shares as of 31 December, adjusted for the average stock of treasury shares. There are no dilutive instruments in 2024 and 2023.

	2024	2023
Majority result from net profit for continuing operations for the year	1,272,201	285,152
Majority result from net profit for discontinuing operations for the year	-	115,278
Majority result from net profit for the year	1,272,201	400,430
Result from net profit for the year	1,303,951	407,136
Average number of shares	82,346,796	78,302,443
Average number of Treasury shares	124	139
Average number of shares to calculate earnings per share	82,346,672	78,302,304
Earnings per share (basic and diluted) from continuing operations - majority (NOK)	15.45	3.64
Earnings per share (basic and diluted) from discontinuing operations - majority (NOK)	-	1.47
Earnings per share (basic and diluted) - majority (NOK)	**15.45**	**5.11**

Note 19: Transactions with Related Parties

In addition to general management services, the Group has the following transactions with related parties:

	Income		Expenses		Receivables		Payables	
	2024	2023	2024	2023	2024	2023	2024	2023
Joint venture companies and associates								
Normand Installer SA	2,875	-	-	-	67,672	63,453	-	-
Omega Subsea Robotics AS	-	-	16,335	14,615	-	-	-	3,345
Solstad Maritime Holding AS					131,656	-	218,355	-
- BB leases (not adjusted for IFRS 16)	-	-	826,960	-				
- Crew rental	-	-	109,184	-				
- Management fees	-	-	21,900	-				
- Interest costs	-	-	10,476	-				
Other related parties								
Ivan Eiendom	-	-	476	11,272	-	-	-	-
American Shipping Company (not adjusted for IFSR 16)	-	-	13,910	320,730	-	-	-	-
Windstaller	-	25,654	-	-	-	273	-	-

The Group's Affiliation with Related Parties:

Normand Installer SA is a joint venture company in which the Group has a 50% share. Receivable relates to a shareholders loan, and income is the interest income on the loan.

The Group leases 2 ROV from Omega Subsea Robotics (2 ROVs in 2023), a joint venture company. Leasing of the ROV is booked in accordance with IFRS 16, and only the interest cost will be expensed for the financial leases.

Solstad Maritime was deconsolidated from the Group on 16 January 2024, and is an associate from the same time. SMH has management of some of the vessels in the Group, and all crew that is not Brazilian are hired from SMH. Several vessels are also on BB/TC rental to SOFF, including Normand Maximus, that was used as a contribution in kind from AMSC during the refinancing of the SMH group. Leasing of vessels are booked in accordance with IFRS 16. Interest costs are related to a loan between SMH and SOFF following the refinancing. The loan was repaid in November 2024. The Group do not have any employees in Norway, including the executive management. All management services and corporate services are purchased from Solstad Maritime.

The Group leased offices and a warehouse at market price from a company controlled by a related party, Ivan Eiendom. These leases were deconsolidated on 16 January 2024 as part of SMH.

The Group also had one vessel on bareboat from American Shipping Company ("AMSC")(company owned 19.1% by one of the larger shareholders). The vessel owning company under AMSC was used as contribution in kind to SMH in the refinancing on 16 January 2024.

The Group was part of the Windstaller Alliance until 15 January 2024, when transferred to Solstad Maritime. Vessels utilized on contracts have revenues on time charter contracts with the alliance.

From time to time, the Group has business relationship with Aker BP ASA, a company affiliated with one of the larger shareholders.

Board Members and the Company's Management are considered as related parties.

Transactions with related parties are completed at normal market prices. Interests are not calculated on outstanding balances with related parties considered to be normal accounts receivable or payable. Current assets are included in the ordinary evaluation of bad debt.

Note 20: Taxes

	2024	2023
Taxes payable	48,754	57,180
Under/over accrual of tax payable	-	-
Change in deferred taxes	-	2,234
Tax on result from continuing operations	48,754	56,641
Tax on result from discontinued operations	-	2,773
Tax on ordinary result	**48,754**	**59,414**
Apportionment of tax on ordinary result		
Norwegian tax	-	2,234
Foreign	48,754	57,180
Total tax	**48,754**	**59,414**
Temporary differences:		
Fixed assets (vessels and other non-current assets)	182,607	3,992,764
Receivables (current assets)	-67,602	-700,414
Other current assets	-	-
Other accruals	-	626,799
Pension	-	-19,763
Other temporary differences	529,342	-
Tax position related to sold assets	449,724	1,826,543
Shares/ownership (current assets)	-	684
Interest deductions carried forward	-28,101	-1,338,902
Unrecovered loss carried forward	-2,508,765	-21,616,171
Total temporary differences	**-1,442,796**	**-17,228,460**
Tax effect of temporary differences:		
Fixed assets (vessels and other non-current assets)	40,173	878,408
Receivables (current assets)	-14,872	-154,091
Other current assets	-	-
Other accruals	-	137,896
Pension	-	-4,348
Other temporary differences	116,455	-
Tax position related to sold assets	98,939	401,839
Interest deductions carried forward	-6,182	-294,558
Unrecovered loss carried forward	-551,928	-4,755,558
Deferred tax asset not recognised	327,757	3,784,445
Net deferred tax/ deferred tax asset (-)	10,342	-6,117
Net deferred tax/deferred tax asset (-) related to Assets held for sale	-	-4,000
Net deferred tax/ deferred tax asset (-) on balance sheet	**10,342**	**-2,117**

	2024	2023
Changes in deferred tax in the balance sheet		
Opening balance deferred tax	-2,117	-4,351
Booked to profit and loss	-	2,234
Charged to equity (change pension)	-	-
Translation adjustment	12,459	-
End balance deferred tax/ deferred tax asset (-)	**10,342**	**-2,117**
Payable tax in the balance sheet consist of		
Other payable corporation tax	29,469	24,715
Other payable corporation tax recognized in Assets held for sale	-	152,335
Total payable tax in the balance sheet	**29,469**	**177,050**
Analysis of effective tax rate		
22% of pre-tax result	311,748	102,641
Effect of deferred tax asset not recognised	-26,215	-176,857
Correction of previous years	-4,201	-
Differential in tax rates foreign entities	42,241	29,498
Permanent differences	-274,819	104,132
Estimated tax	**48,754**	**59,414**

Deferred tax asset is based on a tax rate of 22%.

Deferred tax on deviating values in associates with foreign partnerships has been included in the Group accounts. Further, deferred tax is calculated on scenarios where a future realization will lead to a tax liability.

Deferred tax assets from losses carried forward are recognized under the assumption that companies under the ordinary tax regime will have taxable income in the future. This taxable income is related to ordinary income, gain from sale of fixed assets and taxable financial income.

The Group has an international business. The taxable treatment of transactions, operations and structures in foreign countries may be challenged by local tax authorities, and may result in future tax obligations. Contingent liabilities are recognized in the accounts if they are more likely than not to occur. The accounts reflect the Groups best estimate for contingent liabilities at the end of the year.

At year-end, the entity has included accrual for expected taxes related to operations in foreign waters. The accounts reflects the entity's best estimate for contingent liabilities at the end of the year. Se note 29 for further information.

In total an amount of MNOK 6 in non-deducted interest carried forward has not been recognized.

Unrecorded loss carry forward amounts to BNOK 2.5 per year-end 2024 (BNOK 21.6 in 2023, reduction due to deconsolidation of Solstad Maritime). The loss carry forward does not have any expiration date.

Note 21: Pension

The Group has defined benefit pension plans for seafaring personnel in United Kingdom. The defined benefit pension plan for some of the administrative personnel in Norway was deconsolidated as part of Solstad Maritime on 16 January 2024. The pension plans are insurance based. As of 31 December 2024, the pension plans have 0 active and 60 pensioners as members.

The Group has a contribution plan for the majority of the seafaring personnel and administrative staff in Brazil. The Group do not have any employees in Norway.

The following assumptions are used:	UK 2024	UK 2023	NORWAY 2024	NORWAY 2023
Discounted interest	5.5 %	4.50 %	-	3.10 %
Expected return	-	-	-	3.10 %
Regulation of salaries	3.5 %	3.35 %	-	3.50 %
Regulation of base amount	-	-	-	3.25 %
Regulation of pension	3.0 %	2.85 %	-	3.25 %

Changes in pension obligation:	2024	2023
Estimated liability at beginning of the year	**213,715**	**213,354**
Interest expense	4,732	8,378
Annual pension earnings	-	1,458
Curtailment / settlement	-	-
Payroll tax employer contribution, assets	-	-1,107
Benefits paid	-8,739	-15,595
Past service cost	-	2,422
Actuarial (gain) / loss on the obligation	5,616	4,804
Deconsolidation of Solstad Maritime/Skansekaia Drift	-113,799	-
Estimated liability at year-end	**101,525**	**213,715**
Changes in plan assets:		
Opening value of plan assets	193,850	192,973
Expected return	4,561	7,553
Curtailment / settlement	-	-
Payroll tax of employer contribution, assets	-	-164
Contributions by employer	-	7,849
Benefits paid	-8,739	-13,471
Actuarial gain / (loss)	5,786	-890
Deconsolidation of Solstad Maritime/Skansekaia Drift	-93,934	-
Estimated plan assets at year-end	**101,525**	**193,850**

Net plan assets/liabilities:	2024	2023
Pension liabilities	101,525	213,715
Plan assets	101,525	193,850
Net plan assets/ (liabilities) incl social security	**-**	**-19,865**
Social security	-	-2,455
Net plan assets/(liabilities) incl social security classified as Liabilities directly associated with the Assets held for sale	-	-15,577
Pension cost:		
Present value of pension obligation	-	1,057
Interest expenses on obligation	4,732	8,378
Expected return on plan assets	-4,561	-7,553
Administration expense	497	565
Recognition of past service cost	-497	2,422
Settlement/curtailmen of net obligation	-	-
Pension cost	**171**	**4,869**
Payment on contribution plan	43,706	26,340
Total pension cost	**43,876**	**31,209**
Actual return on plan assets	10,347	-6,663
Acturial gain and loss (-)		
Total actaurial gain / loss	171	-2,427
Currency	-171	-
Tax effect	-	1,155
Actuarial gain / loss booked on Other comprehensive income	**-**	**-1,272**

Pension liability for 2024 is based on table S2IA for UK.
Pension liability for 2023 is based on table K2013 for Norway and S2IA for UK.

Individual Pension Agreements
From the merger with Farstad, the Group had an individual pension obligation for four former employees and one former Chairman of the Board. Skansekaia Drift AS was deconsolidated in November 2024, where the individual pension obigation was booked. A total liability of NOK 0 million is included in the net liability above (NOK 0 million in 2023).

Plan assets are invested in a wide portfolio by an external insurance company. The insurance company is responsible for total administration of the pension plan.

Prior year, for 2023 the “Norwegian Covered Bonds Market”-interest rate is used as basis for determination of the discounting rate.

Note 22: Cash and Cash Equivalents

	2024	2023
Cash and cash equivalents	381,835	501,014
Cash and cash equivalents classified as Assets held for sale	-	1,381,956
Total cash and cash equivalents	381,835	1,882,971

The Group's tied deposits total MNOK 0 (MNOK 29 in 2023) of which all is employee tax withheld.The tied deposits in 2023 was classified as Assets held for sale.

The deconsolidation of Solstad Maritime and consolidation of Maximus Limited has given a net decrease in cash of MNOK 1,273.

The Group has available a revolving credit facility of MUSD 20, as of 31 December 2024 this is undrawn.

As part of the restructuring of the Group's debt effective from 21 November 2024, the total bank deposits are pledged.

Note 23: Environmental Conditions

All of the company's vessels comply with current environmental requirements. In 2024, none of the company's vessels had conditions imposed on them for upgrading or improving technical equipment or any other measures necessary to satisfy current environmental standards.

The company's HSE and ISM system complies with international regulations (IMO's International Safety Management Code). All vessels and our administration hold ISM certification from Det Norske Veritas or relevant Flag State. The company's Quality Assurance system is certified in accordance to ISO 9001:2015, ISO 14001:2015, ISO 45001:2018 and ISO 50001:2018.

Reference is made to note 2 Significant Judgements, Accounting Estimates and Assessments.

Note 24: Paid out and Proposed Dividend

	2024	2023	2022
Approved and paid out during the year:			
Ordinary dividend	-	-	-
Proposed dividend at general meeting:			
Ordinary dividend	-	-	-
Per share (NOK)	-	-	-

Note 25: Non-Current Receivables

	2024	2023
Sellers credit	-	-
Loan to other companies	-	-
Other receivables	37,695	32,179
Total other non-current assets	**37,695**	**32,179**
Classified as Assets held for sale	**-**	**11,669**

Note 26: Accounts Receivable and Other Current Receivables

	2024	2023
Accounts receivable	716,563	613,735
Receivable from associates and joint venture companies	34,090	-
Total accounts receivable	**750,653**	**613,735**
Classified as assets held for sale*	-	1,341,090
Contract assets	**-**	**18,310**
Classified as assets held for sale	-	73,716
Prepaid expenses	641	23,443
VAT/ WHT receivable	117,850	86,415
Costs to fulfil a contract	-	-
Other current receivables	31,058	120,048
Other current receivable associates and joint venture companies	97,566	-
Total current receivables	**247,115**	**229,906**
Classified as Assets held for sale	-	365,096

** MNOK 55 is receivables from associates and joint venture companies in 2023.*

Contract assets are revenues related to performance obligations related to mobilization and demobilization of vessels, where the revenue is not invoiced. Costs to fulfill a contract are costs incurred in advance of a contract to be able to fulfill performance obligations under the contract. The costs are recorded over the contract period. Other current receivables are mainly refundable insurance claims, government grants and prepaid docking expenses.

Note 27: Inventory

Stock consists of provisions, bunkers and lube oil on the Group's vessels:

	2024	2023
Bunkers	15,166	14,454
Lube oil	11,486	8,223
Other	435	417
Total inventory	**27,087**	**23,095**
Classified as asset held for sale	-	77,730

Note 28: Accounts Payable and Other Current Liabilities

	2024	2023
Accounts payable	47,492	138,762
Payables to associates and joint venture companies	154,433	-
Total accounts payable	**201,925**	**138,762**
Classified as Liabilities directly associated to the Assets held for sale	**-**	**335,704**
Contract liabilities	**-**	**-**
Classified as Liabilities directly associated to the Assets held for sale	-	11,560
Accrued salaries, related taxes and VAT payable	214,335	155,486
Costs to fulfill a contract	-	-
Provisions	-	-
Other current liabilities	181,477	228,477
Other current liabilities associates and joint venture companies	63,922	-
Total current liabilities	**459,733**	**383,963**
Classified as Liabilities directly associated to the Assets held for sale	**-**	**844,399**

Contract liabilites are invoiced revenues, but where the performance obligation is not fulfilled.

Other current liabilities consist mainly of incurred operational expenses and performed planned periodic maintenance not yet invoiced at year-end.

Note 29: Contingent Liabilities, Assets and Provisions

Contingent liabilities are recognized in the accounts if they are more likely than not to occur. The accounts reflect the Companys' best estimate for contingent liabilities at the end of the year.

The Company has an international business. The taxable treatment of transactions, operations and structures in foreign countries may be challenged by local tax authorities and may result in future tax obligations.

Tax Claims in Brazil
Chartering of non-Brazilian built tonnage in Brazil require application for tax exemption for temporary importation of vessels and spare parts through Brazilian oil and gas tax regime (REPETRO). There are several cases where Brazilian Tax Authorities claim to have identified procedural error, and where large fines are imposed.

The Company's subsidiaries in Brazil; Solstad Shipping Ltda., Solstad Navegacão Marítima Ltda. and Solstad Offshore Ltda. have all received claims related to importation of vessels and spare parts during the period 2008-2018. The claims relates to customs duties, notices of infringement and fines. The claims are annually adjusted according to market interest rate.

All claims are handled by the Company's lawyers in Brazil. The majority of the claims are rejected and chances to succeed are considered high. Although most claims are rejected, they represent liabilities which, in management's assessment, can lead to release of financial resources in the future, or may need a legal deposit if the case goes to judicial level. Management also believes some liabilities can be measured and estimated reliably.

The total potential claim amounts to approximately MNOK 345 (MNOK 365). The decrease in 2024 is due to currency MNOK 48 offset by increased interest and surcharges MNOK 19. Based on an individual assessment of each case the Group's total recognized accrual is MNOK 7.9 (MNOK 17.6 in 2023). Legal fees are expensed as incurred.

Normand Maximus
The vessel has been rented out on a charter party to a customer from November 2023 with redelivery in May 2024. During the full time period the vessel was detained by the authorities. During the detention period total hire and other costs has been invoiced the charterer of MUSD 24, in which the charter has denied liability. The Group has made an assessment with regards to satisfaction of the performance obligations in accordance with IFRS 15 and recognition of lease revenues in accordance with IFRS 16, and find that the revenue should be recognized. The conclusion is also supported by the Group's legal advisors. The parties has initiated arbitration proceedings in order to resolve the dispute. The Group assesses that they are likely to succeed and be awarded their claims under the charter party against the charterers. This assessment is also supported by the legal advisors. Should the final ruling of the arbitration be in the customers favour, the impact would be a MNOK 265 loss. The arbitration is scheduled to April 2026. As of 31 December 2024 a net revenue of MNOK 265 has been recognized. An additional amount of MNOK 85 is invoiced and a corresponding loss recognition of MNOK 85 is taken related to invoiced additional services and interest for late payments.

Insurance Claims
The Company receives compensation for costs of repairs on damages on vessels and equipment, and loss of hire-revenues for damages where the vessel is off-hire for a period of time related to the insurance case. The revenues and cost reimbursement is booked as a provision at the time the claim is sent to the insurance company, and is assessed to be virtually certain. The total insurance claim recoverable as of 31 December 2024 was MNOK 1.

Kistefos AS
On 16 May 2024 Kistefos AS and Kistefos Investment AS filed a lawsuit against the board members and CEO of the Group, Aker Capital AS and Pareto Securities AS, claiming damages for their alleged loss as shareholders in the Group resulting from the Refinancing. The main hearing is scheduled to commence in the Oslo District Court in October 2025. This might require the Company to allocate resources, both financial and human, to address the lawsuit, potentially diverting management and board members from their daily tasks and strategic objectives. Such a diversion might lead to a decline in efficiency and decision-making within the Company. Additionally, the lawsuit could negatively impact the Company's reputation, especially if it receives public attention, which may affect the Company's relationships with customers, suppliers, and investors. It is not assessed as probable that the disagreement between the shareholders and the board and CEO will lead to a liability or significant costs for the Company, and no provision for any liability has been made in the financial statements.

Note 30: Subsequent Events

Investment in Omega Subsea AS
Solstad Offshore ASA announced on 20 December 2024 the intention to acquire 35.8% ownership share in Omega Subsea AS. The transaction was completed on 16 January 2025, settled partly in cash and partly through contribution-in-kind of its current 49.99 percent ownership in Omega Subsea Robotics A, and will be reflected as an investment in associates and accounted for using the equity method in line with IAS 28. The transaction is expected to result in a minor accounting impact.

Solstad Maritime Holding AS announces intention to list
Solstad Maritime Holding AS announced on 22 January 2025 that it intends to apply for a listing of its shares on Euronext Oslo Børs during 2Q 2025. A listing is in line with the Company's previously expressed intention to list within 12 months after completion of its NOK 750 million equity raise in June 2024, and supported by Company's three main shareholders, Aker Capital AS, Solstad Offshore ASA and AMSC ASA.

Presentation Currency
The presentation currency for the Group is intended to be changed from Norwegian Kroner (NOK) to USD effective 1 January 2025.

Alternative Performance Measures

In addition to reporting measures required under IFRS, the Company also uses the following alternative performance measures in the annual reports

Equity Ratio
Booked equity including minority interests in percentage of total assets

Earnings per Share
Result for the period for the Group divided by weighted average number of shares for the reporting period, adjusted for treasury shares

Adjusted EBITDA
Operating result before depreciation and impairment adjusted for Joint Ventures, Associated Companies, Net gain/-loss on sale of assets, IFSR 16 leases and other non-recurring items

Corporate accounts for Solstad Offshore ASA

Parent Company

Profit or Loss Account

Amounts in NOK 1,000

	2024	2023	Note
Other operating income	65,642	15,700	4
Total operating income	**65,642**	**15,700**	
Personnel costs	-3,400	-3,153	4
Other operating expenses	-1,242,843	-12,226	4
Total operating expenses	**-1,246,243**	**-15,379**	
Operating loss	**-1,180,601**	**321**	
Other interest income	291	130	
Other financial income	442,715	-	5
Other interest charges	-12,089	-	5
Other financial charges	-31,721	-38	5,6
Net financial items	**399,196**	**93**	
Ordinary result before taxes	**-781,405**	**414**	
Tax on ordinary result	-	-	7
Net result for the year	**-781,405**	**414**	
Transfer and disposable income			
Transfer to/from other equity	-781,405	414	9
Total transfer and disposable income	**-781,405**	**414**	

Balance Sheet

Amounts in NOK 1,000

	2024	2023	Note
ASSETS			
FIXED ASSETS			
FINANCIAL FIXED ASSETS:			
Investment in subsidaries	866,715	830,082	8
TOTAL FINANCIAL FIXED ASSETS	**866,715**	**830,082**	
TOTAL FIXED ASSETS	**866,715**	**830,082**	
CURRENT ASSETS			
RECEIVABLES:			
Group contribution	417,365	-	
Other current receivables	89,656	43,218	6
Total receivables	**507,021**	**43,218**	
Bank deposits and cash equivalents	483	14,719	
TOTAL CURRENT ASSETS	**507,504**	**57,937**	
TOTAL ASSETS	**1,374,220**	**888,020**	

	2024	2023	Note
EQUITY & LIABILITIES:			
EQUITY			
RESTRICTED EQUITY:			
Share capital (82,346,796 a 1,-)	82,347	82,347	
Share premium	189,456	189,456	
TOTAL RESTRICTED EQUITY	**271,803**	**271,803**	**9**
EARNED EQUITY:			
Other equity	-199,061	577,255	11
TOTAL EARNED EQUITY	**-199,061**	**577,255**	
TOTAL EQUITY	**72,741**	**849,057**	**9**
LIABILITIES			
OTHER NON-CURRENT LIABILITIES:			
Interest bearing liabilities	1,123,014	-	14
Other non-current liabilities	-	1 046	13
TOTAL NON-CURRENT LIABILITIES	**1,123,014**	**1 046**	
CURRENT LIABILITIES:			
Accounts payable	1,281	32,589	7
Other current liabilities	177,183	5,327	7
Total current liabilities	**178,465**	**37,916**	
TOTAL CURRENT LIABILITIES	**1,301,478**	**38,962**	
TOTAL EUQUITY AND LIABILITIES	**1,374,220**	**888,020**	

Board of Director in Solstad Offshore ASA
Skudeneshavn 01 April, 2025

Harald Espedal
Chairman

Frank O. Reite
Director

Peder Sortland
Director

Ingrid Kylstad
Director

Ellen Solstad
Director

Lars Peder Solstad
CEO

Statement of Cash Flow

Amounts in NOK 1,000

	2024	2023	Note
CASH FLOW FROM OPERATIONS			
Profit / loss before taxes	-781,405	414	
Interest income	-291	-130	
Interest expense	12,089	-	5
Non-cash refinance effects	1,146,521	-	4
Unrealised currency gain/ -loss	31,617	-	5
Change in current receivables and payables	-31,308	3,227	
Change in other accruals	-263,706	-3,748	
Net cash flow from operations	**113,517**	**-237**	
Cash flow from investments			
Loan to related party	-1,210,852	-	14
Net cash flow from investments	**-1,210,852**	**-**	
CASH FLOW FROM FINANCING			
Paid-in capital	-	14,107	
Interest reiveiced	291	130	
Interest paid	-68	-	
Borrowing costs	-12,535	-	14
New / repayment of (-) debt	1,095,412	-	14
Net cash flow from financing	**1,083,099**	**14,237**	
Net change in cash and cash equivalents	-14,236	14,000	
Cash and cash equivalents at 01.01	14,719	719	
Cash and cash equivalents at 31.12	**483**	**14,719**	

Notes

Notes to the Parent Company Financial Statements.
All figures in NOK 1,000 unless otherwise stated.

Note 1: Accounting Principles

General
The annual accounts have been prepared in accordance with the Accounting Act and best practice accounting principles in Norway. The most important accounting principles are described below.

Use of Estimates
In the preparation of the accounts, estimates and assumptions are used which affect the accounts. Actual figures may differ slightly from the estimates.

Foreign Currency
Monetary items in foreign currency are converted at the exchange rate at the balance sheet date.

The following exchange rates have been used in the accounts:

	GBP	USD	EUR
Per 31.12.24	14.209	11.353	11.789
Per 31.12.23	12.934	10.172	11.241

Cost of Borrowing
The cost of borrowing is capitalized at the time of borrowing and the cost is charged over the maturity period of the loan. Evaluation and presentation of current assets Stocks are valued as the lowest of either the acquisition or the estimated sales value. Receivables are ecorded at face value with deduction for anticipated loss.

Financial Fixed Assets
Non-current investment in shares and other investments are valued at the lowest of either the acquisition cost or the estimated sales value if the reduction in the sales value is not considered temporary.

Taxes / Deferred Tax
Deferred tax/ deferred tax assets are calculated, using the liability method, at 22 percent based on temporary differences between the accounting and tax-related values existing at the end of the financial year and any tax deficits are carried forward. Temporary tax increases and decreases are recorded in the balance sheet as net figures.

Classification of Items in the Accounts
Assets determined for long-term ownership or use and receivables which are due more than one year after the expiry of the financial year are recorded as fixed assets. Any remaining assets are classified as current assets. Liability which is due more than one year after the expiry of the financial year is recorded as non-current debt.

Contingencies
Contingent losses that are probable and quantifiable are recorded to the accounts, whilst contingent gain/income is not.

Shares and Holdings in Other Companies
Current investments related to shares are not treated as a trading portfolio and are valued at the lowest of cost price and market value.

Shares in Subsidiaries, Associates and Jointly-Owned Companies
Shares in subsidiaries, associates and jointly-owned companies are recorded in the parent company accounts at cost and written down to the extent that there is a significant deficit value which is not considered temporary.

Treasury Shares
Treasury shares are recorded as a nominal value under the item “share capital”. The difference between nominal and acquisition cost is entered as “other equity”.

Cash Flow
The Group applies the indirect method. Investment in shares and other liquid assets with maturity over three months are not included under cash equivalents.

Note 2: Major Transactions/Events

Reference is made to Note 3 in the Group Annual Report for further information.

Note 3: Financial Risk

The parent company is exposed to various financial risks in its activities. Financial risk is the risk incurred from any changes in currency and interest rates together with counterparties ability to pay, and which impacts the value of the company’s assets, liabilities and future cash flows.

Reference is made to Note 7 in the Group Annual Report for further information.

Note 4: Other Operating Income, Other Operating Expenses, Wages, Employees and Distinctive Contributions

	2024	2023
Wages and director fee	2,982	2,738
Employer's National Insurance	395	369
Pension costs	-	-
Other benefits	-	-
Travelling costs, courses and other personnel costs	24	47
Total employee cost	**3,400**	**3,153**
Average number of FTEs	0	0

Remuneration to Directors, Managing Director and Auditors

The parent company had no employees in 2024 and 2023.

Payments to Board of Directors:	2024	2023
Harald Espedal	790	622
Frank O. Reite	487	440
Ellen Solstad	423	325
Peder Sortland	498	411
Ingrid Kylstad	514	411
Thorhild Widvey	-	325

Auditors EY	2024	2023
Statutory audit	2,704	2,203
Other assurance services	556	649
Other non-audit services	3,257	1,579
Total	**6,517**	**4,431**

Audit fees relates to statutory audit of accounts. Other assurance services relates to services required by law. Other non-audit services are fee for compliance services and restructuring process. Amounts are exclusive VAT.

There are no distinctive agreements regarding remuneration for the Chairman of the Board and nor are there any distinctive bonus or option programmes for any Board Member.

Other operating income and expenses

Other operating income includes a gain of MNOK 64 related to gaining control over Maximus Limited, following the Maximus Settlement.

Other operating expenses includes a loss related to forgivnes of debt to Normand Maximus Limited of MNOK 1,211 following the Maximus Settlement.

Note 5: Financial Items

Other financial income of MNOK 440 is received group contributions. Other interest charges is interest cost and borrowing cost amortization on the bank loan. Other financial costs of MNOK 31 relates to unrealized currency loss on bank loan.

Note 6: Interompany Group

Solstad Offshore ASA had the following debt to companies in the Group:

	31.12.2024	31.12.2023	Interest
Solstad Shipholding AS	-	36,633	
Solstad Rederi AS	-	3,623	
Solship AS	82,333	-	
Other current receivables	**82,333**	**40,256**	
Solstad Shipping AS	5,731	32,589	
Solstad Shipholding AS	142,056	-	
Normand Drift AS	12,000	-	
Account payable	**159,787**	**32,589**	

Note 7: Taxes

	2024	2023
Taxable income		
Result before tax	-781,405	414
Changes in tempoary diferrences	-	-
Permanent differences	706,270	155,848
Transferred to/from loss carry forward	75,135	-156,261
Taxable income	**-**	**-**
Change in deferred taxes	-	-
Tax on ordinary result	**-**	**-**
Current receivables	-2,000	-2,000
Unrecovered interest carried forward	-	-
Unrecovered loss carried forward	-2,499,429	-1,642,475
Total temporart differences	**-2,501,429**	**-1,644,475**
Cuclulated deferred tax asset	550,314	361,784
Unrecognized part of deferred tax asset	-550,314	-361,784
Booked deferred tax asset	**-**	**-**
Analysis of effective tax rate:		
22 % of Profit before Tax	-171,909	91
Tax effect of dividends and gain/loss sale of shares		-
Deferred tax asset not recognised	16,530	-34,378
Tax effect of permanent differences	155,379	34,286
Estimated tax	**-**	**-**

Note 8: Shares in Subsidiaries

31.12.2024	Place of business	Owner- / voting shares	Number of shares	Nominal value	Share capital	Cost price / book value
Solstad Shipholding AS	Skudeneshavn	100 %	30,000	10	300	866,685
Skansekaia Drift AS*	Skudeneshavn	100 %	30,000	1	30	-
Solship Invest 3 AS	Skudeneshavn	100 %	30,000	1	30	-
Solship AS	Skudeneshavn	100 %	30,000	1	30	30
Total						**866,715**

** The company changed name from Solstad Ålesund AS to Skansekaia Drift AS. The company filed for bankruptcy in November 2024.*

31.12.2023	Place of business	Owner- / voting shares	Number of shares	Nominal value	Share capital	Cost price / book value
Solstad Shipholding AS	Skudeneshavn	100 %	30,000	10	300	830,052
Solstad Ålesund AS	Skudeneshavn	100 %	30,000	1	30	-
Solship Invest 3 AS	Skudeneshavn	100 %	30,000	1	30	-
Solship AS	Skudeneshavn	100 %	30,000	1	30	30
Total						**830,082**

Note 9: Equity, Shareholders and Treasury Shares

	Share capital	Share premium	Other equity	Total equity
Equity 31.12.2023	**82,347**	**189,456**	**577,255**	**849,057**
Share capital group contribution	-	-	-22,886	-22,886
Share capital increase by debt forgiveness	-	-	27,975	27,975
Annual result	-	-	-781,405	-781,405
Equity 31.12.2024	**82,347**	**189,456**	**-199,061**	**72,741**

At 31.12.24 the Company's share capital represents 82,346,796 shares at NOK 1.
At 31.12.23 the Company's share capital represents 82,346,796 shares at NOK 1.
The number of shareholders at 31.12.24 was 8,257 (9,832 at 31.12.23).

Shareholders with more than 1 % holding at 31.12.2024

	Number of shares	Ownership
Aker Capital AS	27,089,493	32.90%
Kistefos AS	12,657,171	15.37%
Jarsteinen AS	6,035,966	7.33%
Kistefos Investment AS	4,000,000	4.86%
Østlandske Pensjonistboliger AS	2,364,317	2.87%
Magnus Leonard Roth	1,500,000	1.82%
Songa Capital AS	1,411,040	1.71%
Vartdal Invest AS	1,000,000	1.21%
Olymic Group AS	871,224	1.06%
Maisra Inversion SIL	764,500	0.93%
	57,693,711	**70.06 %**

In accordance with the definition in corporate law, the Directors had the following holdings at 31.12.2024

	Number of shares
Harald Espedal	656,687
Frank O. Reite	356,509
Ellen Solstad *	-
Peder Sortland	-
Ingrid Kylstad	-

** Shares held through Jarsteinen AS, which is a company owned by an investment company of CEO Lars Peder Solstad (60% ownership) and an investment company of Ellen Solstad (20% ownership).*

The Managing Director Lars Peder Solstad controlled 6,035,966 shares at 31.12.2024.

Per 31.12.2024 the company holds 124 treasury shares at a cost price of MNOK 9.6.
Per 31.12.2023 the company holds 124 treasury shares at a cost price of MNOK 9.6.

Note 10: Earnings per Share

In 2024 earnings per share was negative NOK 9.49. The equivalent value in 2023 was NOK 0.01. Earnings per share is calculated by dividing the company's result by the average number of shares, adjusted for the stock of treasury shares. There are no instruments that prevents the possibility of dilution.

Note 11: Transactions with Related Parties

Related parties are considered to be Board Members (including associates) and the company management.
There are no management agreements with related parties outside the Group that charge management fees, except for subsidiaries of Solstad Maritime.

Note 12: Guarantees

Solstad Offshore ASA has issued a Parent Company Guarantee of MNOK 0 (MNOK 13,217 in 2023).

Note 13: Other Non-Current Liabilities

As part of the refinancing in 2020 Aker, Hemen and Jarsteinen issued convertible loans as an instrument to avoid dilution. These were not exersised and are not relevant after the Refinancing on 16 January 2024.

	31.12.2024	31.12.2023
Aker Capital AS	-	883
Hemen Holding Ltd	-	-
Jarsteinen AS	-	163
	-	**1,046**

Note 14: Interest Bearing Debt

	2024	2023
Interest bearing liabilities	1,123,014	-
Total non-current debt	**1,123,014**	**-**

On 22 November 2024 the Solstad Offshore group entered into an agreement with MYF Maximus Limited related to settlement of the Residual Claim, reference to note 2 in the Group Annual Report for further information. The Maximus Settlement involved a repayment of the Residual Claim with MUSD 91.45 and MNOK 200, and forgiveness of the remaining claim. Solstad Offshore ASA took a loan of MUSD 100 which was used to pay the settlement amount on behalf of Normand Maximus Limited. The debt was then forgiven and Solstad Offshore ASA recognized a loss of MNOK 1,211 in Other operating expenses.

Vessel lease liability related to the residual claim was guaranteed by the Parent Company with MUSD 161 plus accumulated interests, but as part of the Maximus settlement in November 2024, the Parent company was released from the guarantee, further reference is made to Note 3 in the Group Annual Report.

Net borrowing costs of MNOK 12.5 is beeing amortized until ful maturity of the loan. Book value as of 31 December 2024 is MNOK 12.3.

The following table shows the maturity of the Interest bearing liability based on contractual, undiscounted cash flows:

per 31.12.2024	Less than 3 months	3 to 12 months	2 to 3 years	4 to 5 years	Over 5 years	Total
Interest bearing liabilities	-	227,068	908,272	-	-	1,135,340
	-	**227,068**	**908,272**	**-**	**-**	**1,135,340**

Note 15: Additional Information Related to Cash Flow

The Group utilizes the indirect method. Investment in stocks and shares with a maturity of more than three months are not included in the cash equivalents.

SOLSTAD OFFSHORE

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Medlemmer av Den norske Revisorforening

To the General Meeting in Solstad Offshore ASA

INDEPENDENT AUDITOR'S REPORT

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Solstad Offshore ASA (the Company) which comprise:

- The financial statements of the Company, which comprise the balance sheet as at 31 December 2024 and the profit or loss account and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies, and
- The financial statements of the Group, which comprise the consolidated statement of financial position as at 31 December 2024, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion:

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2024 and its financial performance and cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2024 and their financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU.

Our opinion is consistent with our additional report to the audit committee.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company and the Group in accordance with the requirements of the relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (the IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

To the best of our knowledge and belief, no prohibited non-audit services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided.

We have been the auditor of the Company since the listing in 1997, for 27 years from the election by the general meeting of the shareholders.

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Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for 2024. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation assesement of vessels and right of use asset (vessels)

Basis for the key audit matter
Management identified indicators of changes in vessel values and tested recoverable amounts of the Group's vessels (including right of use assets vessels). The Group has taken reversal of impairment related to the right of use asset of the vessel Normand Maximus of MNOK 534 based on value in use-calculations.

Each individual vessel was assessed as a separate cash generating unit.

When estimating value in use, management applied budget and long-term forecast (5 years) Key estimates for the value in use calculation were future day rates, utilization rates, and discount rate.

Considering the extent of estimates and assumptions applied in the impairment evaluation, and management's involvement and significant judgement in establishing them, we assess impairment evaluation of vessels as a key audit matter.

Our audit response
Our audit procedures related to value in use included, among others, an evaluation of the cash flows through comparing assumptions for revenue projections to budget and long-term forecast for continuing operations, current contracts, and market analysis from third-party. For operating expenditures, we compared the estimates to approved budgets, historical data and external long-term forecasts. We performed an assessment of management's forecast through a review of actual performance against previous forecasts and the consistence of valuation methodology applied.

We involved an internal valuation specialist in testing of the mathematical accuracy of the value in use calculation, in the assessment of the model and the discount rate applied. We performed sensitivity analysis of management's assumptions. Furthermore, we compared management's value in use calculations with third-party broker valuation reports obtained by management.

We refer to note 2, note 9 and note 10 of the consolidated financial statements.

Other information

Management (the board of directors and chief executive officer) are responsible for the information in the Board of Directors' report and the other information presented with the financial statements. The other information comprises annual report, statements on Corporate Governance and report on payments to governments. Our opinion on the financial statements does not cover the information in the Board of Directors' report and the other information presented with the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the information in the Board of Directors' report and for the other information presented with the financial statements. The purpose is to consider if there is material inconsistency between the information in the Board of Directors' report and the other information presented with the financial statements and the financial statements or our knowledge obtained in the audit, or otherwise the information in the Board of Directors' report and for the other information presented with the financial statements otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report

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and the other information presented with the financial statements. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Our statement on the Board of Directors' report applies correspondingly for the statement on Corporate Governance.

Our statement that the Board of Directors' report contains the information required by applicable law does not cover the sustainability report, for which a separate assurance report is issued.

Responsibilities of management for the financial statements

Management is responsible for the preparation of the financial statements of the Company that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for the preparation of the consolidated financial statements of the Group that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU. Management is responsible for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.

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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Report on other legal and regulatory requirement

Report on compliance with regulation on European Single Electronic Format (ESEF)

Opinion

As part of the audit of the financial statements of Solstad Offshore ASA we have performed an assurance engagement to obtain reasonable assurance about whether the financial statements included in the annual report, with the file name 5967007LIEEXZXHGO849-2024-12-31-0-en.zip, have been prepared, in all material respects, in compliance with the requirements of the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (the ESEF Regulation) and regulation pursuant to Section 5-5 of the Norwegian Securities Trading Act, which includes requirements related to the preparation of the annual report in XHTML format and iXBRL tagging of the consolidated financial statements.

In our opinion, the financial statements, included in the annual report, have been prepared, in all material respects, in compliance with the ESEF Regulation.

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Management's responsibilities

Management is responsible for the preparation of the annual report in compliance with the ESEF Regulation. This responsibility comprises an adequate process and such internal control as management determines is necessary.

Auditor's responsibilities

Our responsibility, based on audit evidence obtained, is to express an opinion on whether, in all material respects, the financial statements included in the annual report have been prepared in accordance with the ESEF Regulation. We conduct our work in accordance with the International Standard for Assurance Engagements (ISAE) 3000 – "Assurance engagements other than audits or reviews of historical financial information". The standard requires us to plan and perform procedures to obtain reasonable assurance about whether the financial statements included in the annual report have been prepared in accordance with the ESEF Regulation.

As part of our work, we perform procedures to obtain an understanding of the company's processes for preparing the financial statements in accordance with the ESEF Regulation. We test whether the financial statements are presented in XHTML-format. We evaluate the completeness and accuracy of the iXBRL tagging of the consolidated financial statements and assess management's use of judgement. Our procedures include reconciliation of the iXBRL tagged data with the audited financial statements in human-readable format. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Bergen, 1 April 2025
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Øyvind Nore
State Authorised Public Accountant (Norway)

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To the General Meeting in Solstad Offshore ASA

INDEPENDENT SUSTAINABILITY AUDITOR'S LIMITED ASSURANCE REPORT

Limited assurance conclusion

We have conducted a limited assurance engagement on the consolidated sustainability statement of Solstad Offshore ASA («the Group») included in the Sustainability Statement of the Board of Directors' report (the "Sustainability Statement"), as at 31 December 2024 and for the year then ended.

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Sustainability Statement is not prepared, in all material respects, in accordance with the Norwegian Accounting Act section 2-3, including:

- compliance with the European Sustainability Reporting Standards (ESRS), including that the process carried out by the Group to identify the information reported in the Sustainability Statement (the "Process") is in accordance with the description set out in disclosure *ESRS 2 IRO-1 Description of the Processes to identify and Assess Material Impacts, Risks and Opportunities*, and
- compliance of the disclosures in subsection *Taxonomy Reporting (Article 8 of EU Regulation 2020/852)* of the Sustainability Statement with Article 8 of EU Regulation 2020/852 (the "Taxonomy Regulation").

Basis for conclusion

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), *Assurance engagements other than audits or reviews of historical financial information* ("ISAE 3000 (Revised)"), issued by the International Auditing and Assurance Standards Board.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion. Our responsibilities under this standard are further described in the Sustainability auditor's responsibilities section of our report.

Our independence and quality management

We have complied with the independence and other ethical requirements as required by relevant laws and regulations in Norway and the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Other matter

The comparative information included in the Sustainability Statement was not subject to an assurance engagement. Our conclusion is not modified in respect of this matter.

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Responsibilities for the Sustainability Statement

The Board of Directors and Chief Executive Officer (management) are responsible for designing and implementing a process to identify the information reported in the Sustainability Statement in accordance with the ESRS and for disclosing this Process in disclosure *ESRS 2 IRO-1 Description of the Processes to identify and Assess Material Impacts, Risks and Opportunities* of the Sustainability Statement. This responsibility includes:

- understanding the context in which the Group's activities and business relationships take place and developing an understanding of its affected stakeholders;
- the identification of the actual and potential impacts (both negative and positive) related to sustainability matters, as well as risks and opportunities that affect, or could reasonably be expected to affect, the, Group's financial position, financial performance, cash flows, access to finance or cost of capital over the short-, medium-, or long-term;
- the assessment of the materiality of the identified impacts, risks and opportunities related to sustainability matters by selecting and applying appropriate thresholds; and
- making assumptions that are reasonable in the circumstances.

Management is further responsible for the preparation of the Sustainability Statement, in accordance with the Norwegian Accounting Act section 2-3, including:

- compliance with the ESRS;
- preparing the disclosures in subsection *Taxonomy Reporting (Article 8 of EU Regulation 2020/852)* of the Sustainability Statement, in compliance with the Taxonomy Regulation;
- designing, implementing and maintaining such internal control that management determines is necessary to enable the preparation of the Sustainability Statement that is free from material misstatement, whether due to fraud or error; and
- the selection and application of appropriate sustainability reporting methods and making assumptions and estimates that are reasonable in the circumstances.

Inherent limitations in preparing the Sustainability Statement

In reporting forward-looking information in accordance with ESRS, management is required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the Group. Actual outcomes are likely to be different since anticipated events frequently do not occur as expected.

Sustainability auditor’s responsibilities

Our responsibility is to plan and perform the assurance engagement to obtain limited assurance about whether the Sustainability Statement is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the Sustainability Statement as a whole.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised) we exercise professional judgement and maintain professional scepticism throughout the engagement.

Our responsibilities in respect of the Sustainability Statement, in relation to the Process, include:

- Obtaining an understanding of the Process, but not for the purpose of providing a conclusion on the effectiveness of the Process, including the outcome of the Process;
- Considering whether the information identified addresses the applicable disclosure requirements of the ESRS; and

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- Designing and performing procedures to evaluate whether the Process is consistent with the Company's description of its Process set out in disclosure *ESRS 2 IRO-1 Description of the Processes to identify and Assess Material Impacts, Risks and Opportunities.*

Our other responsibilities in respect of the Sustainability Statement include:

- Identifying where material misstatements are likely to arise, whether due to fraud or error; and
- Designing and performing procedures responsive to where material misstatements are likely to arise in the Sustainability Statement. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Summary of the work performed

A limited assurance engagement involves performing procedures to obtain evidence about the Sustainability Statement. The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

The nature, timing and extent of procedures selected depend on professional judgement, including the identification of disclosures where material misstatements are likely to arise in the Sustainability Statement, whether due to fraud or error.

In conducting our limited assurance engagement, with respect to the Process, we:

- Obtained an understanding of the Process by:
    - performing inquiries to understand the sources of the information used by management, and
    - reviewing the Company's internal documentation of its Process, and

- Evaluated whether the evidence obtained from our procedures with respect to the Process implemented by the Company was consistent with the description of the Process set out in disclosure *ESRS 2 IRO-1 Description of the Processes to identify and Assess Material Impacts, Risks and Opportunities*.

In conducting our limited assurance engagement, with respect to the consolidated Sustainability Statement, we:

- Obtained an understanding of the Group's reporting processes relevant to the preparation of its Sustainability Statement by
    - obtaining an understanding of the Group's control environment, processes and information system relevant to the preparation of the consolidated Sustainability Statement, but not for the purpose of providing a conclusion on the effectiveness of the Group's internal control; and
    - obtaining an understanding of the Group's risk assessment process.

- Evaluated whether the information identified by the Process is included in the Sustainability Statement;
- Evaluated whether the structure and the presentation of the Sustainability Statement is in accordance with the ESRS;
- Performed inquires of relevant personnel and analytical procedures on selected information in the Sustainability Statement;
- Performed substantive assurance procedures on selected information in the Sustainability Statement;

- Where applicable, compared disclosures in the Sustainability Statement with the corresponding disclosures in the financial statements and other sections of the Board of Directors' report;
- Evaluated the methods, assumptions and data for developing estimates and forward-looking information;
- Obtained an understanding of the Group's process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Sustainability Statement;
- Evaluated whether information about the identified taxonomy-eligible and taxonomy-aligned economic activities is included in the Sustainability Statement; and
- Performed inquiries of relevant personnel, analytical procedures and substantive procedures on selected taxonomy disclosures included in the Sustainability Statement.

Bergen, 1 April 2025
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Øyvind Nore
State Authorised Public Accountant (Norway) – Sustainability Auditor