Dolphin Drilling

DELIVERING SAFE AND EFFICIENT DRILLING OPERATIONS

INTEGRATED ANNUAL REPORT

2024

Content

Highlights 2024

Sustainability

0
Loss Time Incident Rate
(LTIR)

71,177
GHG Emissions Scope 1+2
Tonnes CO2

ISO45001
Certification recieved

240
Employees

171 / 69
Diversity
Offshore / Onshore

Zero
Incidences of corruption

Financial

97
Revenue
USD million

196
Total assets
USD million

750
Revenue backlog plus options
USD million

Letter from the CEO

Reflecting on 2024, I would describe it as a transformative year for Dolphin Drilling – a year marked by challenges that tested our resilience, but ultimately, a year of material change that has positioned us for a positive future.

Following a prolonged period of industry downturn and low activity, we repositioned the Company for profitability by securing long-term contracts and entry into new markets. During the year, we remained true to our core values of Trust, Excellence, Accountability and Momentum, delivering top quartile operational performance, achieving positive customer feedback and maintaining our strong safety record with an impressive zero TRIR result – a testament indeed to the commitment of our team.

This is Dolphin Drilling's first Integrated Report, covering the period from 1 January 2024 to 31 December 2024. The report marks a key step in our commitment to transparency, accountability, and sustainable value creation, as it combines our Annual Report and Sustainability Report into a single, cohesive document. By integrating financial, operational, and sustainability performance, we aim to provide a comprehensive view of how we create long-term value while managing environmental, social, and governance (ESG) risks and opportunities.

During Q1, we expanded our fleet to five semi-submersible drilling rigs with the acquisition of the Paul B. Loyd Jr. (PBLJ), and the Dolphin Leader. Later in the year, a strategic decision was taken to recycle the Bideford Dolphin and the Dolphin Leader, resulting in the year ending with three semi-submersible drilling rigs, the Blackford Dolphin, Paul B. Loyd Jr., and the Borgland Dolphin.

The Blackford Dolphin operated safely and efficiently in Nigeria during the first half of the year. Despite revenue challenges stemming from a contractual dispute, we secured an arbitration award of USD 105 million against General Hydrocarbons Ltd and are actively pursuing recovery efforts. During Q3/Q4, the rig transited from Nigeria to the Andaman Islands and commenced operations with Oil India Limited in November 2024.

The Paul B. Loyd Jr. was seamlessly integrated into the Dolphin fleet following its acquisition from Transocean in Q1. Its existing contract with Harbour Energy in the UK was extended during the acquisition process, providing the Company with both a new asset stream and a long-term contract backlog. The Paul B. Loyd Jr. has continued to perform well since then, with consistently high operational uptime.

The Borgland Dolphin was mobilised from Norway to Las Palmas in Q2 and commenced a reactivation programme in preparation for 2025 UK operations. Due to a contract cancellation by customer EnQuest, however, shipyard activities were suspended, and an early termination fee was agreed. The unit continues to be marketed for work worldwide.

Both the Bideford Dolphin and the Transocean Leader were retired after a careful evaluation determined that their ongoing layup fees and significant reactivation costs, outweighed their market prospects.

Throughout 2024, we successfully set up our field office in India and centralised most of our support functions to the Aberdeen office to improve cost efficiency and streamline operations.

Following my appointment as CEO in early 2025, I look forward to leading Dolphin Drilling into its next chapter. Our initial priority will be to deliver on the "day job", ensuring a high focus on cost control, operational performance, organisational optimisation and maximising financial efficiency. Further to this, we will look to grow and consolidate through opportunistic and accretive M&A, where synergies and economies of scale can further enhance our investment case.

The market fundamentals for Dolphin Drilling are improving with an increase in demand visibility, coupled with a tight supply situation. Building on the success of 2024 and with the continued support of our talented team, unique organisation & new major shareholders, we have good reason to be optimistic about the future.

Thank you for your continued trust and support in Dolphin Drilling.

Jon Oliver Bryce
CEO, Dolphin Drilling

This is Dolphin Drilling

Founded in 1965, Dolphin Drilling is one of the oldest and most trusted drilling contractors operating globally, with a long-standing legacy of excellence in offshore drilling. For six decades, we have been a pioneer in the industry, delivering dependable and innovative drilling operations across the globe.

Our reputation as a flexible, commercially adaptable, and solutions-oriented partner has earned us the trust of leading oil and gas companies.

Our fleet of three 4th and 5th Generation Enhanced Aker H3 and H4 semi-submersible rigs are best equipped for drilling harsh environments across the globe. The fleet can drill in maximum water depths ranging from 450m to 1829m and are operated by an experienced team with a strong operational track record. The rigs provide their robustness by having a high technical standard, broad operational track record, positive air gap, and a passive mooring system.

The Company culture, carefully built through decades, enables rapid and flexible responses to customer needs, whilst maintaining safe and efficient operations.

Dolphin Drilling AS is listed on Euronext Growth under the ticker DDRIL. We have offices in the UK, Norway and India. We are members of the Norwegian Shipowners Association (NSA), the British Rig Owners Association (BROA) and the International Association of Drilling Contractors (IADC).

Dolphin Drilling

WHAT WE STAND FOR

VISION

To be the most trusted drilling services team, delivering unmatched performance, customer focus and a solutions-driven mindset.

MISSION

We partner with our customers to drive operational excellence and deliver innovative commercial solutions, addressing industry challenges responsibly whilst safeguarding our teams, assets and the surrounding environment.

CORE VALUES

Trust

Our relationships are built on trust and honesty. We are relied upon to do the 'right' thing and to do what we say we will do.

Excellence

We are passionate about delivering excellence in all that we do. We are relentless in our pursuit to be the best and continuously improve.

Accountability

We own and take full responsibility for the work that we do. We have truly open and honest conversations to ensure we deliver the best results for our clients.

Momentum

We act at pace; always moving forward. We are energetic and resilient in the face of adversity and solve problems as a team.

Our approach to sustainability

Sustainability is all about using resources responsibly to ensure our planet and its people can thrive in the long run. At its core, sustainability is often broken down into Environmental, Social, and Governance (ESG) criteria. These help evaluate the sustainability and ethical aspects of the different activities an organisation will undertake.

Environmental principles focus on protecting natural resources, reducing pollution, and tackling climate change. **Social** principles address human rights, fair working conditions, and community involvement.

Governance principles cover decision-making processes, accountability, and transparency within organisations.

ESG matters align with the United Nations Sustainable Development Goals (SDGs), which aim to create a better and more sustainable future by 2030. These 17 global goals address issues like poverty, quality education, gender equality, clean water, affordable energy, and climate action. By aligning our efforts with relevant SDGs, we aim to actively contribute to tackle global challenges and building a more sustainable world.

The QR code on the left links directly to the Sustainability section of our website, where you can watch a short video outlining Dolphin Drilling's approach to sustainability. We invite you to learn more about our ongoing efforts to operate responsibly and minimise our environmental impact.

Towards sustainable, high-value operations

Dolphin Drilling is committed to delivering an optimised, timely, and controlled flow of materials to and from rig operations—prioritising safety while reducing operational risk, cost, and environmental impact. Efficient logistics and materials management are core to ensuring that our operations remain agile, resilient, and responsible in an evolving energy landscape.

Wherever feasible, our drilling activities are structured to retain materials and equipment at their highest utility and value for as long as possible. This includes extending asset lifecycles through maintenance, refurbishment, and reuse, as well as minimising reliance on single-use components. Such practices reduce the demand for virgin resources, lower emissions associated with manufacturing and transportation, and support our broader decarbonisation goals.

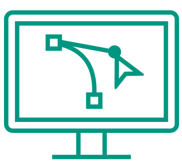
Furthermore, we recognise that sustainable operations go beyond material efficiency. Our approach considers impact on natural systems, through responsible waste handling, emissions management, and consideration of environmental factors in the supply chain. By embedding these principles into our logistics and rig operations, Dolphin Drilling aims to lead by example in moving offshore drilling towards a more circular, low-carbon future.

Logistics and transport
Optimised logistics through a controlled process of collection and coordination with suppliers and third-party services and route management, which will reduce transportation and energy usage.

Warehousing
Equipment is preserved and maintained at a storage location, eliminating transportation to and from supplier facilities, and optimised space and storage requirements reducing packaging and waste.

Services
Cloud-based support reduces the need for IT infrastructure and energy usage.

Inventory and managed returns
We have optimised our consignment stock to meet the specific requirements of our fleet, resulting in reduced waste and the need for less storage space. Additionally, we collaborate with industry companies to share consumables and reduce unnecessary duplication of resources.



Innovation and redesign
Through cross-industry collaboration, we are working to standardise processes and automate operations, to optimise the use of alternative fuel sources, improve process efficiency, and redesign products to extend their useful life. By avoiding premature asset disposal and continuously utilising resources, we aim to minimise waste and promote sustainable disposal practices.

SUSTAINABILITY STATEMENT

Dolphin is committed to embedding sustainability into everything we do, which aligns seamlessly with our vision to be the most trusted drilling services team, delivering unmatched performance, customer focus, and a solutions-driven mindset. By integrating sustainable practices into our operations, we enhance trust with stakeholders, drive innovation, and address industry challenges responsibly.

General information

About this report

This report covers all projects where Dolphin Drilling has operational control and has been prepared in alignment with the Euronext guidelines for sustainability reporting.

The report has been reviewed and approved by Dolphin Drilling's Board of Directors. The sustainability statement has not been audited by an independent third party.

Through this integrated approach, Dolphin Drilling strengthens its commitment to responsible business practices, operational excellence, and transparent reporting, demonstrating how we balance financial performance with our broader sustainability goals.

Interest and views of stakeholders

Having an ongoing dialogue with stakeholders strengthens our relationship with the society we operate in and allows us to detect, investigate and manage potential risks and opportunities. Regular engagement with both our internal and external stakeholders helps us meet stakeholders' expectations and determine our sustainability priorities. Communication and engagement with our stakeholders are also crucial for transparency, equal treatment and investor encouragement.

Shareholders

Our owners are a key stakeholder group who directly affect our priorities and strategies. We engage with our shareholders to ensure transparency of financial information and our operations and communicate through financial updates, regular calls, and conferences.

Employees

We are dependent on our employees' expertise, in addition to their understanding of sustainability, as well as the Company's objectives and targets. We strive to ensure regular employee communication and engagement through our intranet, committees, and manager updates.

Customers

Our customers' expectations influence our sustainability priorities. We are expected to demonstrate sustainable environmental performance, safe operations, a competent workforce, and regulatory compliance. To meet these expectations, Dolphin Drilling has a comprehensive Health, Safety, Environment, Energy and Quality (HSEEQ) management system in place, invests in employee training and development, and adheres to regulatory requirements. We regularly conduct audits and report performance to interested parties in order to ensure that their needs are met.

Governmental authorities

Our Company is subject to the regulations and legislation set by governmental and local authorities, which directly influence our operations. We strive to ensure that all our processes and resources comply with these regulations.

Suppliers and vendors

Our vendor registration processes drive our suppliers' awareness of modern slavery, human rights, and ethical business practices through our Code of Conduct. Our aim is to partner with suppliers who prioritise sustainability and offer sustainable products and services. We hold regular meetings with our most critical suppliers to ensure thorough two-way communication with shared learnings while ensuring they are maintaining our sustainability and ethical standards.

Local communities

Dolphin Drilling acknowledges that we have a responsibility for the effect our work has in the regions where we operate. We strive to be a socially responsible business and give back to society in the areas where we can.

The Board and senior management

The Board has the ultimate responsibility for Dolphin Drilling's sustainability strategy, priority, and approach. The senior management bears responsibility for Dolphin Drilling's development and day-to-day activities. The senior management presents its management review and reports to the Board quarterly.

Enterprise Risk Management

Dolphin Drilling has established a robust Enterprise Risk Management (ERM) framework that has been continuously refined and enhanced over the years. This framework enables us to identify, assess, and manage a wide range of risks, hazards, and other threats that could impact our business operations, including sustainability-related challenges, regulatory compliance, geopolitical uncertainties, and financial exposures.

Through our ERM process, we evaluate the likelihood and potential impact of identified risks and implement targeted mitigation and monitoring measures to minimise their effects. This structured approach allows us to proactively address risks related to health, safety, and environmental (HSE) concerns, operational disruptions, market fluctuations, and technological advancements. We conduct monthly reviews of identified risks, ensuring continual monitoring and timely response. Additionally, our top risks are reviewed by the ERM Steering Committee, the Audit Committee, and the Board, reinforcing accountability and oversight at the highest levels of the organisation.

Our ERM insights play a key role in shaping our Internal Audit plan, ensuring that our risk mitigation strategies are effectively implemented and continuously improved. The external financial audit plan is reviewed and approved by the Audit Committee each year, providing an additional layer of governance and assurance.

Our ERM framework ensures our strategies remain proactive and adaptable to evolving market conditions, regulations, and technologies while maintaining operational excellence.

Material impacts, risks and opportunities

Based on an internal materiality assessment conducted in 2022, we have defined the following topics as material, based on our Impacts, Risks and Opportunities (IROs).

Sustainability Focus Areas	Material Topics	Impacts, Risks and Opportunities (IROs)	Our ambition	Corresponding UN SDG-target
Environment	Climate change mitigation and energy	Our operations have a significant GHG profile due to our energy-intensive offshore operations. Rigs consume a significant amount of fuel and in turn consume energy.	Developing more efficient ways to conduct our operations will minimise greenhouse gas emissions and reinforce our commitment to responsible and sustainable drilling practices. Efficient energy use will help us to reduce costs, lower emissions, and support sustainable offshore operations.	UN SDG 9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities.
	Pollution of Air & Water	Our operations have the potential to unintentionally generate air, water and soil pollution, including the release of substances of concern.	We aim to minimise our environmental impact by reducing waste, emissions, and spills.	UN SDG 14.1: By 2025, prevent and significantly reduce marine pollution of all kinds, in particular from land-based activities, including marine debris and nutrient pollution.
	Bio-diversity	Our operations may threaten species' wellbeing by causing contamination through accidental fluid leaks into the sea or by introducing foreign species and bacteria into marine ecosystems.	Maintaining healthy ecosystems and protecting natural habitats helps us meet regulatory requirements, supporting long-term environmental responsibility.	UN SDG 13.2: Integrate climate change measures into national policies, strategies and planning.

Sustainability Focus Areas	Material Topics	Impacts, Risks and Opportunities (IROs)	Our ambition	Corresponding UN SDG-target
Social	Health & Safety	Maintaining high health and safety standards protects our workforce, prevents incidents, and ensures safe and efficient operations, is an essential part of our license to operate.	We aim to provide a safe and healthy working environment through prevention, continuous improvement, and innovation.	UN SDG 9.4 By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination.
	Working conditions	Investing in our people is key to long-term success. A skilled, engaged workforce boosts efficiency, innovation, and safety, while supporting growth and wellbeing fosters a positive culture and drives sustainability.	We aim to foster an inclusive and diverse workplace, ensuring fair labour practices, employee development, and community engagement.	UN SDG 8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.
	Diversity	By promoting equal opportunities and diverse perspectives, we enhance decision-making, improve team collaboration, and reflect the communities we serve, driving long-term success and sustainability.	We aim to ensure that all recruitment processes are fair and transparent and effective mechanisms are in place for reporting discrimination.	UN SDG 5.5: Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life.
	Privacy	It is imperative for Dolphin Drilling to safeguard our digital infrastructure, reduce risks, prevent disruptions, and support long-term business continuity.	We maintain a cyber security and data privacy programme to assess, identify, and manage risks from cybersecurity threats.	
	Human rights	Working to uphold human rights is fundamental to the dignity and wellbeing of every person working directly or indirectly in our operations.	We work collaboratively with all stakeholders to promote respect for human rights across our value chain.	
Governance	Corruption and bribery	Upholding anti-corruption and anti-bribery standards ensures ethical business practices, fosters trust with stakeholders, and complies with legal requirements, promoting a transparent operating environment.	We aim to ensure all personnel are trained in anti-corruption and business ethics and have a thorough due diligence process in place for our supply chain.	UN SDG 16.5 Substantially reduce corruption and bribery in all their forms.

Going forward, Dolphin Drilling plans to carry out a Double Materiality Assessment (DMA) to ensure systematic and relevant reporting on material topics.

Environment

Climate change mitigation

Reducing emissions is a top priority for Dolphin Drilling, given the energy intensive nature of our offshore operations. We recognise the importance of improving our energy performance and adopting best practices, exploring new technologies, and collaborating with partners to achieve our goals.

Measuring and reporting methods are constantly being reviewed to ensure that we improve our understanding, and that the information is correct as per current industry guidelines. To accurately measure and report our greenhouse gas (GHG) emissions, Dolphin Drilling uses industry standard methodologies. For emissions from fuel consumption on each rig, we follow section 8.3 of the EEMS Atmospheric Emissions Calculations document, which is widely used in our industry. For office-based emissions from electricity and natural gas, we use the UK Government's GHG Conversion Factors for Company Reporting worksheet, based on total energy consumption.

Our GHG emissions intensity ratio is calculated based on hours worked. Our scope 1 emissions include fuel oil consumed on our rigs and natural gas used in our office premises - essentially any fuel burned on-site. In 2024, our scope 1 emissions were 46,411 tons of CO_2e, representing an increase from 2023 due to the addition of the Paul B. Loyd Jr. to the Dolphin Drilling fleet and increased operational time throughout the year. We also monitor and measure refrigerant emissions (F-Gas) and electricity consumed from our onshore locations to determine emissions. Scope 2 emissions include the electricity used in our office premises.

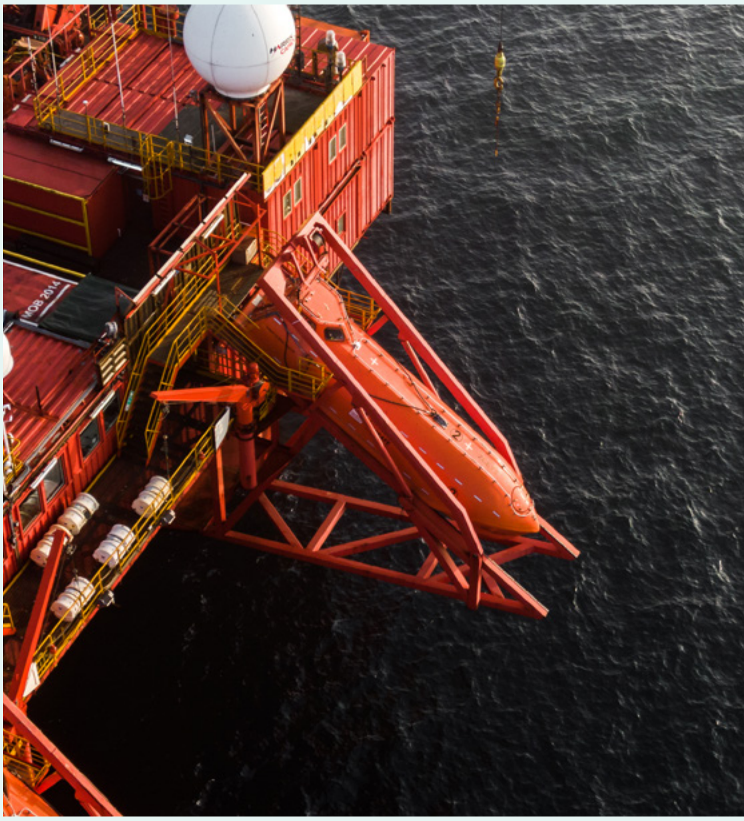
In future reporting, we also plan to include Scope 3 emissions, which cover indirect emissions that occur in our value chain. This will help us identify energy efficiency opportunities in our supply chain and work with our suppliers on solutions to reduce emissions. In general, we are committed to transparent reporting and continual improvement in our sustainability performance.

Energy

Dolphin Drilling is committed to reducing the climate carbon footprint of our industry by combining our experience in energy-efficient operations with the latest technology. We prioritise energy efficiency through digital planning, customised operations and smart energy management, recognising that efficient energy use is crucial for combating climate change and reducing our environmental impact.

To support our energy management initiatives, we have implemented an energy management dashboard (Rig Analytic Hub) that gives an overview of the total energy used on our rigs. Our "Rig Analytic Hub" monitors fuel usage in six different modes, allowing us to measure fuel consumption by operational activity and identify opportunities for improvement.

Our Aberdeen and Stavanger offices now have an electricity supply that is generated from 100% renewable energy.



GHG emissions	Metric	2024	2023	2022
Total Scope 1 and 2 emissions	**Tons CO2e**	**71,177**	**20,960**	**23,183**
Scope 1 Direct GHG emissions	Tons CO2e	46,411	10,591	11,692
Total Fuel Consumed (Marine Gas Oil)	Tons	9,035	3,646	4,188
Scope 2 Indirect GHG Emissions	Tons CO2e	188	451	99
Electricity from renewable sources	(%)	0.44%	0.57%	N/A
CO2	Tons	24,575	9,917	11,391
CH4	Tons	1.382	0.558	0.641
N20	Tons	1.689	0.682	0.783
F-Gas (Refrigerant)	Tons CO2e	75.22	49.67	30.3
Emissions intensity	MtCO2e/contracted operating day	80.9	36.5*	75.4

Table 1: Emissions for Dolphin Drilling. For 2024 Sustainability reporting Dolphin Drilling refined the method used for data collection and calculation in this table. We believe this adjustment provides a more accurate representation of actual figures, and as a result, we have updated the data for previous years.

** The reported Scope 1 emissions intensity for 2023 was lower than expected, primarily due to one of Dolphin Drilling's rigs being under contract but not conducting drilling operations during a significant portion of the reporting period. As emissions are normalized against contracted operating days, periods of reduced operational activity – with correspondingly lower fuel consumption and emissions – contributed to a lower overall intensity figure for the year.*

Non-GHG emissions	Metric	2024	2023	2022
N0x	Tons	456	184	211
S02	Tons	31	12	14
VOC	Tons	15	6	7

Table 2: Non-GHG emissions

Pollution of air

Dolphin Drilling actively manages air pollution across our operations by implementing strict emissions controls and maintaining equipment to the highest standards to reduce exhaust and particulate emissions. We also monitor and manage refrigeration systems to minimise the release of ozone-depleting substances and greenhouse gases, ensuring compliance with international standards. Across all activities, we work to align with environmental regulations and industry best practices, supporting a cleaner offshore environment.

Pollution of water

We follow the requirements of the International Convention for the Prevention of Pollution from Ships (MARPOL), and have also established our own HSEE Policy regarding this topic. The HSEE Policy is readily available to all interested parties through various means.

Dolphin Drilling has an Environmental Management System certified to ISO 14001:2015 and the International Safety Management Code (ISM Code). The system is regularly audited, both internally and externally, and is subject to rig visits from the regulatory authorities to ensure compliance with local legislation and requirements.

As part of our commitment to digitalisation and embracing new technology, we have in place an integrated management system. This system provides us with enhanced capabilities to manage our operations effectively. Additionally, we are looking into utilising modern technology to monitor energy consumption on our rigs in real-time, allowing us to identify areas where we can optimise energy usage efficiently. Through our class-approved maintenance system that is integrated into our business management system, we ensure that all spill prevention maintenance is carried out according to the highest standards.

As stated in our HSEE Policy, prevention of spills is of the utmost importance for us. Personnel are encouraged to report any potential sources of spills or releases to the environment through our EMS. We have also established processes to prevent spills to the environment and effective response methods if an incident were to happen. Three spills occurred in 2024, a year in which we undertook operations in the UKCS, India and Nigeria.

Type of fluid	Metric	2024	2023	2022
Fuel oil	Litres	0.1	0	0
Base oil	Litres	0	0	0
Hydraulic oil	Litres	2	0	0
Crude oil	Litres	0	0	0
Brine	Litres	0	0	0
OBM	Litres	39.75	0	0
Total	Litres	41.85	0	0

Table 3: Spills from operations to sea.

Biodiversity

The decline in biodiversity in recent decades threatens to bring disastrous consequences to the environment and people. Our rigs are required to have environmental permits in place and to be approved by national regulators before operations can commence. Currently, we have no rigs located in protected areas or areas of high biodiversity value. By identifying where our activities pose a threat to endangered plants and animal species, we can initiate appropriate steps to avoid harm and to prevent the extinction of species.

In order to prevent the spread of invasive species, effective management of ballast water is essential. This is achieved through the implementation of ballast water management plans and the use of ballast water treatment systems, which ensure that the water is treated before it is discharged, in accordance with the regulations outlined in the Ballast Water Management Convention.

Physical or chemical impacts	Biological impacts	Socio-economic impacts	Corporate impacts
Noise	Benthic communities	Fishing	Compliance
Visual impact	Fish	Shipping	Cost
Seabed	Sea mammals	Neighbours	Reputation
Land contamination	Sea birds	Employment and Economic Opportunities	Carbon footprint
Landfill	Harm to Marine Organisms	Community Infrastructure Development	Transparency & ESG Reporting
Loss of containment to sea	Introduce non-native species, pathogens and harmful algae blooms	Population and Demographic Changes	Investor & Stakeholder Confidence
Water quality		Social Conflicts and Disruptions Revenue Generation	
Air quality		Revenue Generation	
Ozone depletion		Supply Chain Disruptions	
Resource depletion			
Vibration			
Microplastic Pollution			

Table 4: Direct and indirect impacts on biodiversity from Dolphin Drilling's operating rigs

Case study

New E-Learning Courses in Energy & Environmental Awareness

As part of our ISO 50001 & ISO 14001 certification, we are required to ensure that employees have a general awareness of energy and environmental management. In 2024, we launched two new e-learning courses:

Energy Management
This course was developed to equip our employees with a sound knowledge of energy management and the ways in which we can effectively manage energy usage, contributing to both environmental sustainability and cost efficiency in our operations. Effective energy management is crucial in reducing our carbon footprint and achieving our sustainability goals.

Environmental Awareness
Our Environmental Awareness course ensures that employees are aware of the environmental impacts associated with their work/tasks. This training provides our employees with an understanding of environmental management and how this can support the Company in taking meaningful action towards a greener, more sustainable future.

Social

Working conditions

People are at the heart of everything we do, and we are committed to having a good working environment and a high level of employee engagement.

The results from our digital employee engagement survey, "The Dolphin Voice", saw participation levels of 78% of the workforce completing the survey in 2024. The insights provide a more objective view of what we are doing well as a Company, and where we have room for improvement. Moreover, feedback is gathered on our Company Core Values, Trust, Excellence, Accountability and Momentum to ensure that all our values are aligned.

The tool is available in a number of languages and our launch included surveys in English, Norwegian and Spanish. The survey allows us to gain regular feedback on conditions that can influence the employees' health, safety and welfare, and other issues that are relevant to the Company. The feedback is then used to ensure that we continue to improve as a business and address any areas that require attention.

7.9
ENGAGEMENT SCORE

78%
PARTICIPATION RATE

Strengths		Focus areas	
Goal setting	8.8	Environment	7.5
Peer relationships	8.7	Growth	7.4
Autonomy	8.6	Strategy	7.1

Score	Value	Change
8.3	TRUST	+0.1
8.2	EXCELLENCE	–
8.6	ACCOUNTABILITY	+0.2
8.4	MOMENTUM	+0.3

Blackford Dolphin

In the summer of 2024, we carried out a recruitment campaign for the Blackford Dolphin going to India. We carried out a thorough safety and HR induction for all new crew in Mauritius and also in Mumbai. This ensured that our new crew were prepared for their first trip and ensured a smooth and safe start up in India.

Paul B. Loyd Jr.

In February 2024, we successfully completed the transfer of 107 employees as part of the acquisition of the Paul B. Loyd Jr. Prior to the transfer, we ensured all new employees were welcomed and familiarised by hosting a number of integration workshops. Upon transfer, all employees were supported from both on and offshore which led to a smooth transition and a successful start to their employment with the Company.

Diversity

We understand the importance of promoting diversity and equality in the workplace. We are committed to fostering a culture of inclusion where everyone feels valued, respected, and supported. We believe that promoting diversity and equality not only benefits our employees, but also contributes to our overall success as a Company.

At Dolphin Drilling, we are committed to encouraging equality, diversity, and inclusion among our workforce, and eliminating unlawful discrimination. We always strive towards a working environment that provides equality, fairness and respect for all individuals engaged by the Company.

Dolphin Drilling has a zero-tolerance policy towards discrimination. We have policies in place that prohibit discrimination and clear processes for addressing and reporting discrimination.

We provide training to all employees and ensure all personnel read and understand our Code of Conduct.

Our guidelines on equality and discrimination are covered in our HR Policy, Code of Conduct, and Modern Slavery Policy Statement, and are published in our management system.

Dolphin Drilling employs a diverse range of nationalities and encourages local crew content for all locations where we operate.

Dolphin Drilling has implemented several mechanisms to detect risks, obstacles, causes, and actions in relation to equality and discrimination. Human rights are identified as potentially high risk within our Risk Management System, particularly the engagement of personnel in international locations.

Within our Company the following nationalities are represented:

- Austria
- Brazil
- Croatia
- Denmark
- France
- India
- Ireland
- Lithuania
- Malta
- Mexico
- Norway
- Poland
- Portugal
- South Africa
- Sweden
- UK

We ensure our recruitment processes are fair and transparent. In addition to regular employee surveys, Dolphin Drilling has effective reporting mechanisms in place, which include our grievance procedures and an independent whistleblowing line.

During 2024, our direct employees offshore were 99,4% men, with 1 female employee offshore. However, our catering teams, which are outsourced roles, also included women.

Employee category	No. of men	No. of women	Total
Full-time employees (onshore)	45 (70.3%)	19 (29.7%)	64
Full-time employees (offshore)	170 (99.4%)	1 (0.6%)	171
Part-time employees (onshore)	0	5 (100%)	5
Temporary employees (onshore)	0	0	0
Involuntary part-time employees	0	0	0
Parental leave	0	0	0
Organisation total (excluding the Board)	215 (89.6 %)	25 (10.4%)	240

Table 5: Breakdown of employees and parental leave in 2024

Management level and employee function	Ratio of basic salary and remuneration of women to men (based on average numbers) [1]	No. of men	No. of women	Total
The Board	100%	3	2	5
Executive team[2]	N/A	5 (100%)	0	5
Management team[3]	103.8%	5 (62.5%)	3 (37.5%)	8
Management level 2[4]	100%	28 (84.8%)	5 (14.2%)	33
Advisory[5]	110%	7 (30.4%)	16 (69.6%)	23
Offshore	100%	170 (99%)	1 (1%)	171

Table 6: Payroll and breakdown of employees and members of the Board by gender

1. *For the purpose of the overview, all payrolls are converted to USD, hence the numbers are affected by exchange rate fluctuations.*
2. *Chief Executive Operator, Chief Operating Officer, Chief Financial Officer, Chief Technical Officer and the Chief Strategy Officer.*
3. *The Management team has a higher number of men compared to women and consists of the department managers, excluding the executive team.*
4. *All managers and senior personnel. This category has a much higher percentage of men compared to women. The majority are within our technical and operations departments, with the women being assigned to HR, Finance, HSEEQ.*
5. *This category consists of all advisory and administration employees. This category has a higher percentage of women compared to men.*

Training and skills development

Dolphin Drilling has a robust training and competence programme. Our goal is to ensure we always have suitably qualified, trained and competent personnel to ensure our operations are carried out in a safe and efficient manner.

Our training programme covers a wide range of topics and involves a combination of:

- **Safety critical training**: Ranging from emergency and spill response, fire and helicopter safety, survival skills, and well control.
- **Skill training:** Ensures that our staff are familiar with specific work-related hazards, risk assessment, permit to work and Company processes.
- **Equipment training:** For rig-specific equipment and the processes to be followed when handling equipment.
- **Company specific training:** Training on procedures and processes ranging from ISO, ISM, our management system, anti-bribery and business ethics and cyber security.

Our Competence Assurance Management System (DDCAMS) is certified by both OPITO and IADC. DD-CAMS supports the training programme, by demonstrating the crew's competence in relation to their safety critical work tasks.

Health & Safety

We are committed to ensuring the health, safety, and wellbeing of our employees. We recognise that our people are our most important asset, and we strive to ensure a safe and healthy work environment. We prioritise the safety of our employees in everything we do, from designing processes or making technical improvements, to operating our rigs with robust safety procedures and protocols. Moreover, we provide all employees with relevant training and coaching to ensure a safe working environment.

Dolphin Drilling's operations adhere to the International Safety Management Code (the "ISM Code"), and the International Ship and Port Facility Security Code (the "ISPS Code"), both created by the International Maritime Organisation (IMO). The codes provide an international standard for the safe management and operation of ships and pollution prevention, and the detection and deterrence of security threats within an international framework.

Dolphin Drilling Management System is audited by external parties on an regular basis. External audits:

- IADC Competency Assurance Audit
- OPITO Competency Assurance Audit
- Periodic ISO 9001/14001/45001/50001 & ISM audit (Performed by DNV)
- Annual audit (accounting and tax)
- FPAL Verify Audit
- Client Management System Audit

All the findings from the audits are registered, monitored and followed up via our reporting database, Synergi. No major findings were revealed from any of these audits in 2024.

The daily activities that are undertaken on our rigs are subject to specific controls to prevent harm to personnel and the environment. Dolphin Drilling follows a 'Zero Philosophy' approach with a high level goal 'Nobody Gets Hurt' as stated in the Company HSEE Policy. To accomplish this, Dolphin Drilling uses a number of risk management tools in order to eliminate or reduce risk to a level 'As Low As Reasonably Practicable' (ALARP). These include:

- Work Permit
- Isolations
- Safe Job Analysis (SJA)
- TaTo Risk Assessment
- Observation Cards
- Time Out for Safety (TOFS)
- Chemical Management
- Toolbox Talk and Drills

Personnel are trained in how to use these tools and also to foresee potential hazards, which contributes to incident free operations.

Dolphin Drilling has a 'behavioural based safety system' in place that is used to highlight any safe or unsafe acts or conditions that may be observed. Observation Cards are used to report and document work-related hazards and hazardous situations and all personnel are encouraged to participate in the system so improvements can be made to the task or operation, and to the overall management system.

All personnel travelling to our rigs are required to complete formal training and a Company induction prior to mobilising offshore. The induction course covers a range of topics related to health, safety and the environment, and is designed to ensure all personnel are aware of the risks and hazards when working offshore. Moreover, all personnel must complete the Dolphin Drilling Travelling and Living onboard course. This course provides information on what to expect prior to travelling offshore, including the logistical arrangements, pre-travel expectations and the living conditions and standards offshore.

Once onboard the rig, all personnel will undertake a safety induction and familiarisation process, which includes a tour of the unit, information on security, incident reporting, safety routines and Company policies.

In 2024, the Company signed up to the Mental Health in Energy Charter and established a wellbeing committee. The Dolphin Drilling Wellbeing Committee, which represents employees from both on and offshore agrees on how to improve wellbeing, raise awareness and support to our employees. Part of our wellbeing efforts included webinars from our occupational health on mental health and women's health. Going forward, we will continue with further webinars that also focus on men's health, nutrition and physical health.

Privacy

The current geopolitical situation in Europe is still keeping the Cyber threat towards our sector high on the agenda, as Dolphin Drilling recognises the importance of maintaining effective cyber security barriers.

We are continuously improving our cyber security barriers in line with new enhancements in technology.

Supported by the 24/7 Security Operations Centre (SOC) and Incident Response Team (IRT), advanced technologies are applied to detect any anomalies in user behaviour and to protect our critical assets. In addition, our Information Security Management System (ISMS) is an integrated part of our management system and is in compliance with the security measures required by IMO for the maritime sector and NOG104 for Oil and Gas. A major barrier against any cyber incident is awareness amongst our employees. All employees and contractors are required to complete cyber security e-learning courses, and we conduct regular phishing exercises.

Dolphin Drilling meets regularly in the joint Information Security Network chaired by the Norwegian Ship Owners Association to drive common industry efforts and align on initiatives. As a member of Norma Cyber and associated member of InfraCERT, we receive regular cyber intel towards the Maritime and Energy sector.

Human rights and transparency

Dolphin Drilling recognises that modern slavery is a crime and a violation of fundamental human rights. It can take various forms, including slavery, servitude, forced labour and human trafficking. Consistent with the UK Modern Slavery Act and the Norwegian Transparency Act, Dolphin Drilling has a zero-tolerance approach to modern slavery and other basic human rights violations and is committed to acting ethically and with integrity in our business dealings and relationships. We are committed to implementing and enforcing effective systems and controls to ensure that modern slavery is not taking place anywhere in our business or supply chain and that we ensure decent working conditions for all.

To ensure decent working conditions and to prevent modern slavery and violation of fundamental human rights, Dolphin Drilling has taken several measures, including the following:

- Implementing Company procedures such as the Code of Conduct, a third-party due diligence procedure, and a whistleblowing procedure
- Conducting a robust vendor registration and due diligence process for all vendors before accepting them onto the approved vendors' list
- Conducting risk assessments to stop and limit the risk of negative consequences, which can increase depending on geographical location and the type of supplier
- Requiring all business partners to comply with our Code of Conduct
- Providing all employees with annual training on anti-corruption and business ethics
- Establishing an independent whistleblowing line to report any concerns
- Perform quarterly business reviews with critical suppliers to monitor the implementation of procedures

Dolphin Drilling encourages all employees, vendors and partners to raise any concerns or suspicions about modern slavery or violation of human rights in any part of the business or supply chain. Our measures are reviewed annually to ensure their effectiveness in preventing modern slavery. Our Modern Slavery Policy and a statement on the Norwegian Transparency Act can be found on our website.

Case study
CLAN Cancer Support

CLAN Cancer Support is a charity that provides free support services to anyone affected by cancer across north-east Scotland, Moray, Orkney, and Shetland. Their mission is to help people live with and beyond their or their loved one's cancer diagnosis, improving the quality of life for all those who seek their support. Since 1983, Clan has developed specialist knowledge and understanding of how a diagnosis of cancer impacts not just the person diagnosed but also their wider circle of family and close friends.

Kiltwalk is Scotland's largest mass participation walking event with over 178,000 people taking part since 2016. In June, Dolphin Drilling staff took part in the Aberdeen Kiltwalk. Over eleven employees—and some of their family members—completed the walk in support of the Company's chosen charity of the year, Clan Cancer Support. The team raised £1,500, which the Company matched, bringing the total to £3,000.

Case study
Community Food Initiatives North East (CFINE)

In November 2024, Dolphin Drilling staff hosted a bake-off to raise funds for Community Food Initiatives North East (CFINE), a vital resource for vulnerable individuals and families in Aberdeen and the surrounding area.

The team raised £280, which the Company matched, bringing the total to just under £600. These funds were used to purchase essential items for the food bank.

Governance

Corruption and bribery

At Dolphin Drilling, we believe that conducting our business with integrity and transparency is essential for achieving long-term success and sustainability. As a responsible corporate entity, we are committed to upholding the highest ethical standards in all our operations, including preventing bribery and corruption and promoting transparency.

Dolphin Drilling is committed to promoting ethical behaviour and maintaining a zero-tolerance policy against bribery and corruption. To ensure this, all employees and third-party personnel are required to complete our annual e-learning on anti-corruption and business ethics course, in addition to following the Code of Conduct. Anti-bribery and corruption are integral to our Code of Conduct, which is designed to promote ethical behaviour and provide guidance for all employees. The Code of Conduct is shared with external parties upon request as part of our commitment to transparency. This provides everyone with a clear understanding of our expectations for ethical behaviour.

As a part of our commitment to sustainability, we maintain a comprehensive risk register that evaluates any risks that could impact people, operations, or the fleet. The register considers risks beyond corruption, including financial loss due to cyber-attacks or online fraud, asset misappropriation fraud, non-compliance with governing models, and counterparty and supplier financial risk.

We have implemented vendor management policies to ensure that all third-party relationships are conducted in an ethical and responsible manner. This includes conducting a third-party integrity risk assessment to determine the extent of diligence required before establishing an operating relationship. This assessment includes a review of the Corruption Perception Index, the nature of the goods and services being offered, the compensation structure, and the type of vehicle involved.

As part of our commitment to ethical sourcing, we actively engage our suppliers in meaningful conversations around ethics, anti-corruption, and compliance during all business review meetings. These discussions provide valuable opportunities to align on expectations, address potential concerns early, and work together toward the highest standards of integrity.

Dolphin Drilling also promotes reporting of any misconduct. Employees and third parties can report through several channels, including a confidential whistleblowing hotline. In addition, employees are encouraged to report any critical concerns to the Chief HR Officer or the Chief Financial Officer. The methods for reporting are described in our Company Code of Conduct and in our dedicated Whistleblowing Procedure, which provides details on independent and confidential processes for raising concerns related to business conduct. This ensures that everyone has access to safe and secure reporting channels.

No incidents of corruption have been reported in 2024, and no legal cases relating to corruption were brought against the Company or its employees during the same period.

Board of Directors' Report

Financial Results

2024 represents the third period of trading of the Dolphin Drilling Group under parent company Dolphin Drilling AS. The Group traces its history back to 1965 and celebrates its 60-year anniversary in 2025. During this time, it has successfully completed over 175 equivalent years of offshore activity in multiple segments of the market, mainly focusing on harsh environment semi-submersible drilling operations. The financial performance of the Group in 2024 represents over ten months of drilling work for the acquired rig Paul B. Loyd Jr., two months of drilling work from Blackford Dolphin in India following a challenging period of operations in Nigeria, along with the running costs of units in various states of standby, mobilisation and stacking during the period. The operational result reflects this investment, operating activity and stable administrative expenses in 2024.

The fleet and revenue backlog were strengthened following the acquisition of two semi-submersible rigs, the Paul B. Loyd Jr. and the Dolphin Leader. Total revenue backlog (plus options) at 31 December 2024 USD 750 million. The Dolphin Leader was subsequently sold and recycled, as was the Bideford Dolphin, during the period. The Group utilised a loan facility of USD 65 million, which has been secured by a first lien mortgage on the rig Paul B. Loyd Jr. with a maturity date of 2027 to finance this transaction.

The Group held cash and cash equivalents of USD 34.4 million on 31st December 2024. Cashflows from financing activities support cash used in operating activities of USD 24.4 million and investing activities of USD 62.4 million, primarily related to spend on the acquisition of Paul B. Loyd Jr. and Dolphin Leader, and capital expenditure on the Borgland Dolphin as it underwent a rig reactivation for a UK contract that was ultimately cancelled. The Group sold two of its stacked rigs, the Bideford Dolphin and Dolphin Leader.

The Group raised gross proceeds of NOK 432 million in a private placement allocating 72,000,000 shares. The total number of shares is now 291,890,099. No dividend is proposed.

Business Review and Market

Dolphin Drilling AS is the parent company of the Dolphin Drilling Group. At the end of 2024, the Group owned and operated three Mobile Offshore Drilling Units (MODU's) / rigs, the Blackford Dolphin, Borgland Dolphin and Paul B. Loyd Jr., all harsh environment semi-submersible units.

Blackford Dolphin started 2024 on contract with General Hydrocarbons Limited (GHL). Due to repeated failures by the client to adhere to the payment terms of the contract, the contract was terminated and arbitration proceedings immediately commenced. In December 2024, the outcome of the arbitration was received and awarded the Group a sum of USD 105 million with interest accruing from the award date. Management continues to pursue enforcement action. Following the termination of the GHL contract and departure from Nigeria, the Blackford Dolphin mobilised to India to commence a contract with Oil India Limited (Oil India) for 3 wells, an initial expected 14-month period. In November, following client acceptance and customs clearance of the rig, the contract with Oil India commenced.

During February 2024, the acquisition of Paul B. Loyd Jr. and Dolphin Leader was completed, and the Group secured an extension of the existing contract with Harbour Energy for Paul B. Loyd Jr.. This added firm backlog on the unit through February 2028 with options for a further five years thereafter. The Group made the strategic decision to sell and recycle the drilling rig Dolphin Leader to enhance operational efficiency and optimise its fleet. The same decision was made in relation to Bideford Dolphin.

The Borgland Dolphin, following an extended period of smart stacking, was towed to Las Palmas Gran Canaria to complete rig reactivation, upgrades and renewal of class certificates ahead of a drilling campaign scheduled to start in the UK in April 2025 following a signed contract award. During this process, the rig reactivation was paused as the client elected to terminate the contract for convenience, subsequently a USD 20.8 million termination fee was paid to the Group. The rig remains in Las Palmas and is marketed for alternative work worldwide.

Market and Market Risks

The Group operates in various geographies around the globe with a historical focus on the North Sea. Fiscal policies in all countries continue to have an influence over the demand levels, and on project sanctioning and commencement timelines. International markets have recovered significantly since the lows of 2020 and 2021.

Pricing continues to strengthen alongside improved demand for offshore rigs. The offshore drilling rig supply continues to reduce with a significant number of assets retired, re-purposed or scrapped. With only a limited number of new rigs entering the global fleet during the same period there has been a significant tightening of the market. Brent oil prices traded at an average price of USD 80 per barrel in 2024, remaining stable from USD 83 per barrel in 2023. Specifically within the UK, the political volatility and government policy, in particular, Energy Profits Levy (EPL), continues to have a negative impact upon project timing and sanctioning, with several operators highlighting tax as a reason for the cancellation or delay of projects.

The Group is well-positioned to secure contracts at attractive levels, benefiting from current market improvements, warm rigs, and an attractive positioning in the niche moored semisubmersible market. The management recognise that few rigs are generally bid into tenders and for some planned work scopes no rigs are bid at all. Consequently, oil companies are often required to adjust and amend rig tenders, causing a delay to final awards. Overall, the outlook appears robust for the offshore drilling segments for the foreseeable future based on a balanced rig demand and supply situation.

Health, Safety, Environment, Energy and Quality Management (HSEEQ)

Maintaining a safe and healthy working environment for our employees is critical to Dolphin Drilling and our stakeholders. Safe operations are at the core of our overall approach, and we continually work to ensure that employees are safe at work and that our operations do not leave an adverse impact on the environment.

To achieve these goals, Dolphin Drilling has an established integrated HSEEQ Management System, as a means of ensuring that all services provided meet specified health, safety, environmental, energy and quality requirements. The Integrated HSEEQ Management System has also been designed to assure that services provided by Dolphin Drillings approved suppliers shall be subject to adequate control to ensure that these conform to drilling industry guidelines and legislative requirements.

All employees are trained and have access to the Integrated Management System and are encouraged to make suggestions that can improve aspects in the overall system. Documents have also been translated dependant on where current operations are globally.

Dolphin Drilling continually review the documents in the management system, which include experienced learnings, regulatory, client and code updates. The system is certified to the following standards:

- ISO 9001:2015 – Quality Management Systems
- ISO 14001:2015 – Environmental Management Systems
- ISO 45001:2018 – Health & Safety Management Systems
- ISO 50001:2018 – Energy Management Systems
- ISM Code – International Safety Management Code
- ISPS Code – International Ship and Port Facility Security Code

To support and measure the performance of the management system, Dolphin Drilling has implemented an HSEEQ Program that details the Company's objectives and corresponding KPIs and EnPIs. These are reviewed during Monthly Management KPI Review Meetings to ensure that they are still valid and to confirm if implemented improvement initiatives and objectives are working effectively.

There were zero fatalities from work-related injuries in 2024, and no work-related injuries that resulted in LTIs. There was 1 restricted work case (RWC) and 8 first aid cases recorded in 2024. Dolphin Drilling continue to utilise their behavioural based safety 'Observation Card' system, where safe and unsafe observations and conditions are recorded and then input into the computerised HSEEQ Reporting System.

There were 3 spills to sea recorded throughout the Dolphin Drilling fleet in 2024, resulting in 41.85 litres lost. Overall emissions from operations increased in 2024 compared to the previous year, but this was due to increased operational activity and the addition of the Paul B. Loyd Jr. to the Dolphin fleet. Going forward, the focus will be on energy reduction and installing 'Real Time fuel and power' control systems to measure energy usage more accurately and to more effectively determine where improvements can be made.

Employees

Our employees and their motivation and retention are key to the delivery of safe and efficient operations and fundamental to our success. The health, safety and wellbeing of our employees are of the highest consideration in the way in which we conduct business. We strive to ensure regular employee communication and engagement across our entire workforce.

In 2024, the Group employed 215 men and 25 women. We encourage equality, diversity, and inclusion among our workforce. We always strive towards a working environment that provides equality, fairness and respect for all individuals engaged by the Company.

The average total sickness absence for the Group was 2.5% in 2024.

ESG / Sustainability

At Dolphin Drilling, sustainability is embedded at the highest corporate level, with our Board of Directors (the Board) overseeing our commitment to Environmental, Social, and Governance (ESG) principles. To reinforce this commitment, a dedicated Sustainability Committee has been established, operating under a specific charter and reporting directly to the Board.

The Sustainability Committee's primary role is to review and support our ongoing efforts in environmental responsibility, health and safety, corporate governance, social responsibility, and overall sustainability. Additionally, the committee assesses key public policy matters, including our annual sustainability reporting, ensuring compliance with industry guidelines and regulations.

Dolphin Drilling AS's sustainability report for the 2024 year is integrated within this annual report and a statement on the Norwegian Transparency Act is available on the Company website.

Corporate Governance

The Company seeks to comply with the applicable legal framework for companies listed on the Oslo Stock Exchange and endorses the Code of Practice for Corporate Governance issued by the Norwegian Corporate Governance Board.

Dolphin Drilling aims to achieve a high standard of Corporate Governance by ensuring the appropriate division of roles between shareholders, the Board of Directors and Executive Management, to ensure the interests of all stakeholders are being achieved.

The Board has three appointed sub-committees with specific responsibilities concerning the areas of Audit, Executive Remuneration and Sustainability. Each committee has a charter defining roles and responsibilities.

Directors and Officers' insurance has been secured towards possible liability towards third parties. This protection provides cover-up to a limit of USD 15.0 million.

Going Concern

The Directors have undertaken an assessment of going concern and liquidity over a period of at least 12 months from the date of approval of these financial statements, including performing sensitivity analyses to reflect reasonably possible downsides. The assessment is based on current backlog, considering future financial performance and liquidity, including sources of potential future liquidity. These financial statements have been prepared on a going concern basis, notwithstanding the Group's loss for the year of USD 100.4 million. Removing non-cash items for depreciation, amortisation and impairment of fixed assets and inventories of USD 61.8 million, the Group's operating loss is USD 27.8 million. At the year end, the Group had cash at the bank of USD 34.4 million.

The Group's cash flows are earned from drilling rig charters and management contracts. The nature of the Group's business is such that there can be considerable, unpredictable variation in agreeing customer drilling contracts and the timing of cash inflows. The Group's strategy is to maintain a disciplined approach to achieving long-term drilling contract work for all of the Group's owned rigs in the context of increased oil and gas market activity in 2023-2024 and tightening moored semi-sub rig availability. This objective is principally subject to the risk of securing long-term drilling contracts for all rigs, one of which is currently stacked and would require further investment to reactivate. The uncertainties and volatility in the market represent a risk for the Group.

Post year end, see below, an extensive refinancing plan was announced to support the going concern basis. Note 29 also describes post year end changes to the company's largest shareholders, members of the board and executive management. At the date of approval of these financial statements the company has:

- announced a Private Placement with gross proceeds of approximately USD 29 million;
- signed a term sheet and is working to complete by 30 June 2025 a new external loan facility of minimum USD 21.5 million within one of the company's subsidiaries;
- received an upsize on its existing loan facility of USD 6.5 million and is working to complete an amendment to the facility by 30 June 2025
- committed to extinguish the shareholder loan with partial proceeds from the Private Placement

Cashflow projections consider the impact of ongoing debt service and new finance, including amortisation of debt, debt maturity and compliance with covenants. As a result and in connection with the cashflow projections and sensitivity analyses prepared, the Directors believe that the Group will have sufficient funds to continue to meet its liabilities as they fall due for at least twelve months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis. The directors have no reason to believe the group will not successfully execute these transactions. However, work is ongoing related to signing of amendment to existing loan facility and new external loan facility. Both facilities need to be agreed to complete the refinancing plan and at the time of the publication of the financial statements this is still pending and if not resolved this would lead to significant doubt over the going concern assumption.

Subsequent events

Post year end, S.D Standard ETC Plc sold their share of the shareholder loan which represents USD 7.5 million (plus accrued interest) and 49,784,706 shares in the Group representing 17.1% of the outstanding share capital and now holds 0 shares.

On 4 March 2025 Svelland Capital Trading and B.O Steen Shipping increased their respective shareholdings to 34% and 10% respectively and are now the largest shareholders. Further purchase of shares have been made and committed refer to information below related to the private placement.

Following this, on 27 March 2025 proposals to the composition of the board were made. The following changes were executed:

Martin Nes resigned as chairman of the board
Alf Ragnar Løvdal resigned as director
Ronny Bjornådal appointed as chairman of the board
Bertel Steen appointed as director

Paul Marchand resigned from the board on 06 May 2025.

On 28 March 2025, the chairman of the board announce Jon Oliver Bryce as Chief Executive Officer and Ingolf Gillesdal as Chief Financial Officer (effective 15 April 2025).

On 28 May 2025, the company announced a substantial refinancing plan following a process conducted through April and May 2025. The key matters belonging to this are as follows:

- A waiver letter was obtained in relation to the loan facility of USD 65 million (note 16) relating the covenant and information requirements required in the period from 31 March 2025 to 30 June 2025. This letter also deferred repayment instalments in the period of 01 April 2025 to 30 June 2025
- Related to this facility an upsize of USD 6.5 million was agreed and drawn in two tranches in May 2025 and June 2025
- The group are now working with this lender to amend the terms of this facility for the USD 6.5 million and other key terms in support of the long-term prospects of the group. The amended and restated agreement is expected to be concluded by 30 June 2025
- One of the group's subsidiaries have signed a letter of commitment with an international financial institution for a new loan facility. The terms of this agreement are also expected to be concluded by 30 June 2025. The key terms provide a loan of minimum USD 21.5 million secured by mortgage on the rig Borgland Dolphin and Blackford Dolphin, with an interest rate of 12.5% and an expected maturity date by end of June 2027
- On 30 May 2025 the company announced it had successfully placed a Private Placement for gross proceeds of approximately NOK 297,644,400 million, equivalent of approximately USD 29 million, through the conditional allocation of 29,764,440,000 Offer Shares at a subscription price per share of NOK 0.01 (the "Offer Price"). Svelland Capital Master Fund and B.O. Steen Shipping AS and certain other investors had pre-committed to apply for Offer Shares at the Offer Price for NOK 235,064,720, equal to approximately USD 23.2 million. The Private Placement was approved at the Extraordinary General Meeting held on 17 June 2025
- A portion of the proceeds of the Private Placement are committed to repay the company's existing shareholder loan and accrued interest described in note 16

Disclosure of information to auditor

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each Director has taken all steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Stavanger, 19 June 2025
Board of Directors Dolphin Drilling AS

Ronny Bjornådal
Chairman

Bertel Steen
Director

Linn Katrine Høie
Director

Melissa Clare
Director

Jon Oliver Bryce
CEO

Consolidated financial statements

as at and for the year ended 31 December 2024

Consolidated Statement of Profit and Loss

for the year ended 31 December

In thousands of USD	Note	2024	2023
Revenue	4	**96,860**	73,496
Cost of sales		**(126,165)**	(70,802)
Gross (loss) / profit		**(29,305)**	2,694
Administrative expenses	5	**(14,300)**	(22,949)
Impairment loss on trade receivables and accrued income	5	**-**	(42,590)
Impairment (loss) / impairment reversal on tangible assets and inventories		**(40,824)**	22,330
Other expenses	5	**(5,266)**	(521)
Other operating income		**55**	176
Operating (loss)		**(89,640)**	(40,860)
Interest payable and similar expenses	8	**(10,413)**	(3,853)
Interest receivable and similar income	8	**1,258**	1,733
Loss before taxation		**(98,795)**	(42,980)
Taxation	9	**(1,565)**	(982)
Loss for the financial year		**(100,360)**	(43,962)
Earnings per share – basic / diluted		**(0.38)**	(0.26)

Consolidated Statement of Comprehensive Loss

for the year ended 31 December

In thousands of USD	2024	2023
Loss for the year	**(100,360)**	(43,962)
Other comprehensive income		
Items that are or may be reclassified subsequently to profit or loss:		
Exchange differences on foreign operations	**(5,037)**	4,176
Items that will not be reclassified to profit or loss:		
Remeasurement defined benefit pension plan	**39**	(182)
Other comprehensive (loss) / income for the year, net of income tax	**(4,998)**	3,994
Total comprehensive loss for the year	**(105,358)**	(39,968)

Consolidated Statement of Financial Position

at 31 December

In thousands of USD	Note	2024	2023
Non-current assets			
Intangible assets	10	**20,499**	1,379
Tangible assets	11	**68,807**	72,638
Deferred tax asset	17	**-**	32
		89,306	74,049
Current assets			
Inventories	12	**23,716**	30,357
Trade and other receivables	13	**46,778**	20,190
Income taxes receivable		**2,032**	1,732
Cash and cash equivalents	14	**34,416**	33,959
Assets held for sale	23	**-**	5,519
		106,942	91,757
Total assets		**196,248**	165,806
Capital and reserves	19	**41,985**	109,371
Current liabilities			
Trade and other payables	15	**56,975**	32,460
Contract liabilities	15	**10,586**	3,000
Financial liabilities – loans and borrowings	16	**37,967**	16,868
		105,528	52,328
Non-current liabilities			
Employee benefits	18	**2,823**	3,286
Financial liabilities – loans and borrowings	16	**45,912**	821
		48,735	4,107
Total liabilities		**154,263**	56,435
Total equity and liabilities		**196,248**	165,806

These financial statements were approved by the Board of Directors on 19 June 2025:

Ronny Bjornådal
Chairman

Bertel Steen
Director

Linn Katrine Høie
Director

Melissa Clare
Director

Jon Oliver Bryce
CEO

Consolidated Statement of Changes in Equity

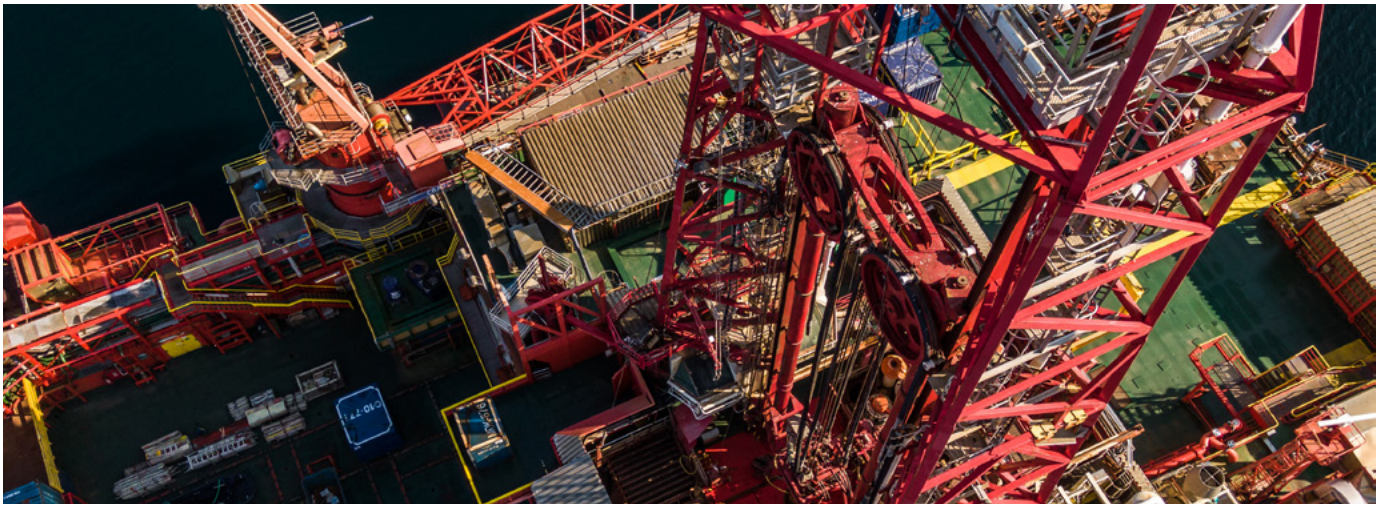
for the year ended 31 December

In thousands of USD	Share capital	Share premium	Foreign currency translation reserve	Retained earnings	Total equity
Balance at 31 December 2022	124,740	18,207	(1,747)	(56,782)	84,418
Change in nominal value of share capital	(104,990)	104,990	-	-	-
Share issue by Dolphin Drilling AS net of related costs	8,944	55,977	-	-	64,921
	28,694	179,174	(1,747)	(56,782)	149,339
Total comprehensive loss for the year					
Loss for the year	-	-	-	(43,962)	(43,962)
Other comprehensive income	-	-	4,176	(182)	3,994
	-	-	4,176	(44,144)	(39,968)
Balance at 31 December 2023	**28,694**	**179,174**	**2,429**	**(100,926)**	**109,371**
Share issue by Dolphin Drilling AS net of related costs	6,551	31,421	-	-	37,972
	35,245	210,595	2,429	(100,926)	147,343
Total comprehensive loss for the year					
Loss for the year	-	-	-	(100,360)	(100,360)
Other comprehensive (loss)	-	-	(5,037)	39	(4,998)
	-	**-**	**(5,037)**	**(100,321)**	**(105,358)**
Balance at 31 December 2024	**35,245**	**210,595**	**(2,608)**	**(201,247)**	**41,985**

Consolidated Statement of Cash Flows

for the year ended 31 December

In thousands of USD	Note	2024	2023
Cash generated from operating activities			
Loss before taxation		**(98,795)**	(42,980)
Adjustments for:			
Depreciation, amortisation, impairment and impairment reversal	5	**61,802**	(13,440)
Net finance costs		**9,155**	2,120
Loss on disposal of fixed assets		**1,519**	-
Changes in working capital:			
Increase in inventories		**(1,967)**	(88)
Increase in trade and other receivables		**(26,949)**	(6,577)
Increase / (Decrease) in trade and other payables		**32,264**	(10,933)
		(22,971)	(71,898)
Tax paid		**(1,455)**	(456)
Net cash used in operating activities		**(24,426)**	(72,354)
Cash flows from investing activities			
Purchases of property, plant and equipment	11	**(31,996)**	(8,619)
Acquisitions through business combination		**(37,306)**	(5,550)
Proceeds from sale of property, plant and equipment		**5,900**	-
Net cash used in investing activities		**(63,402)**	(14,169)
Cash flows from financing activities			
Issue of new share capital net of related costs		**37,973**	64,921
Draw of borrowings	16	**65,000**	15,000
Repayment in receivables factoring arrangements		**-**	(153)
Payment of liabilities from long-term leases		**(417)**	(570)
Net interest received / (paid)		**(5,808)**	1,529
Net cash generated from financing activities		**96,748**	80,727
Net change in cash and bank		**8,920**	(5,796)
Effect of changes in exchange rates		**(8,463)**	4,004
Cash and cash equivalents opening balance		**33,959**	35,751
Cash and cash equivalents at 31 December		**34,416**	33,959



Notes to the financial statements

1 Basis of preparation

Dolphin Drilling AS is a limited liability company incorporated, domiciled and registered in Norway, registration address Vestre Svanholmen 12, N-4313 Sandnes, Norge. The Company was registered on 01 April 2022.

The financial statements are for the year ended 31 December 2024.

These financial statements have been prepared in accordance with IFRS Accounting Standards and IFRS Interpretations Committee. The financial statements have been prepared under the historical cost convention with the exception of certain financial instruments and balances required to be measured at fair value.

The Group financial statements are presented in United States Dollars (USD). USD is the prevalent currency used within the oil industry and the Group has a significant level of USD cash flows, assets and liabilities. All amounts are presented to the nearest USD 1,000 ($000) except when otherwise indicated. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all years presented in these financial statements.

The consolidated financial statements include the results, cash flows, assets and liabilities of Dolphin Drilling AS and its subsidiaries. The financial statements of subsidiaries are prepared for the same reporting year as the Group using consistent accounting policies.

A subsidiary is an entity controlled by the Group, where control is the power to direct relevant activities, exposure or rights to variable returns and the ability to use power to affect returns. The results of acquisitions are included in the Group's results from the effective date on which control is transferred to the Group. The results of a subsidiary sold during the year are included in the Group's results up to the effective date on which control is transferred out of the Group. All intragroup transactions, balances, income and expenses are eliminated on consolidation.

The preparation of the financial statements requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. These estimates are based on management's best knowledge of the amount, event or actions and actual results ultimately may differ from those estimates. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are addressed in note 2.

Going concern

The Directors have undertaken an assessment of going concern and liquidity over a period of at least 12 months from the date of approval of these financial statements, including performing sensitivity analyses to reflect reasonably possible downsides. The assessment is based on current backlog, considering future financial performance and liquidity, including sources of potential future liquidity. These financial statements have been prepared on a going concern basis, notwithstanding the Group's loss for the year of USD 100.4 million. Removing non-cash items for depreciation, amortisation and impairment of fixed assets and inventories of USD 61.8 million, the Group's operating loss is USD 27.8 million. At the year end, the Group had cash at bank of USD 34.4 million.

The Group's cash flows are earned from drilling rig charters and management contracts. The nature of the Group's business is such that there can be considerable, unpredictable variation in agreeing customer drilling contracts and the timing of cash inflows. The Group's strategy is to maintain a disciplined approach to achieving long-term drilling contract work for all of the Group's owned rigs in the context of increased oil and gas market activity in 2023-2024 and tightening moored semi-sub rig availability. This objective is principally subject to the risk of securing long-term drilling contracts for all our rigs, one of which is currently stacked and would require further investment to reactivate. The uncertainties and volatility in the market represent a risk for the Group.

Post year end, refer to note 29, an extensive refinancing plan was announced to support the going concern basis. Note 29 also describes post year end changes to the company's largest shareholders, members of the board and executive management. At the date of approval of these financial statements the company has:

- announced a Private Placement with gross proceeds of approximately USD 29 million;
- signed a term sheet and is working to complete by 30 June 2025 a new external loan facility of minimum USD 21.5 million within one of the company's subsidiaries;
- received an upsize on its existing loan facility of USD 6.5 million and is working to complete an amendment to the facility by 30 June 2025
- committed to extinguish the shareholder loan with partial proceeds from the Private Placement

Cashflow projections consider the impact of ongoing debt service and new finance, including amortisation of debt, debt maturity and compliance with covenants. As a result and in connection with the cashflow projections and sensitivity analyses prepared, the Directors believe that the Group will have sufficient funds to continue to meet its liabilities as they fall due for at least twelve months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis. The directors have no reason to believe the group will not successfully execute these transactions. However, work is ongoing related to signing of amendment to existing loan facility and new external loan facility. Both facilities need to be agreed to complete the refinancing plan and at the time of the publication of the financial statements this is still pending and if not resolved this would lead to significant doubt over the going concern assumption.

2 Significant accounting estimates and judgements

2.1 Useful lives of tangible fixed assets

Tangible fixed assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

The useful lives of drilling rigs are inherently difficult to estimate due to a variety of factors, including technological advances that impact the methods or cost of oil and natural gas exploration and development, changes in market or economic conditions and changes in laws or regulations affecting the drilling industry. Some of these factors are also relevant to climate risk. Our industry is subject to significant impact from physical, regulatory, technological, market and reputational risks all associated with climate change, which ultimately present challenges and opportunities in the market and for demand. To the extent climate risk factors contribute to, positively or negatively, the burden of cost to maintain and refurbish assets and/or impact demand/charter rate pricing achievable in the market, this in turn affects the continued evaluation of economic value.

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the depreciation period or method, as appropriate, and are treated as changes in accounting estimates.

2.2 Impairment indicators and recoverable amount of rigs

An impairment of an asset's carrying value exists when the carrying value of a cash generating unit exceeds its recoverable amount, which is the higher of its value in use or fair value less costs to sell. When applicable, the Group uses cash flows derived from the budget for the next five years with inflationary growth only for subsequent years.

Increased oil and gas prices, and recent evidence of steady increased demand for offshore rigs has created further volatility to the industry. Price and demand continue to also be affected by climate risk. The Group has formed an ESG committee which reviews and takes action towards a variety of concerns including climate risk. As noted at 2.1 above regulatory, reputational and market areas in the climate change realm present risk and opportunity for the oil and gas industry and the Group.

Commodity prices and the impact to charter day rates and contract activity are therefore critical considering whether an impairment trigger exists.

The recoverable amount is most sensitive to the expected future cash-inflows arising from rig utilisation and day rates, the discount rate used and the growth rate used for extrapolation purposes.

At 31 December 2024 the Group recorded an impairment charge relating to the Borgland due to contract cancellation and a lack of backlog.

2.3 Tax positions and deferred tax assets

The Group operates in a number of territories worldwide with complex local and international tax legislation. The tax estimate is prepared prior to the tax return being filed with the relevant tax authority and significantly in advance of any position being agreed with the relevant authority. The estimation of tax liabilities and assets therefore involves both estimates and judgment, particularly in jurisdictions where the application of tax legislation is less established.

Details of contingent tax liabilities are disclosed in note 9 and 28.

Deferred tax is provided on temporary differences and tax assets to the extent it is probable that future taxable profits will be available against which the temporary difference or tax asset could be utilised. This requires management to make estimates and judgments on future profits. Deferred tax is disclosed in note 17.

2.4 Expected credit loss ("ECL")

Judgement is required to determine an ECL against trade receivables, accrued income and contract assets. Whilst the Group have historically a positive collection record (refer to note 22) a large impairment provision has been booked in the prior year related to one customer based on a combination of factors (refer to note 13).

3 Significant accounting policies

3.1 Foreign currency

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the statement of financial position date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the income statement. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Income statements of entities whose functional currency is not the United States Dollar are translated into United States Dollars at average rates of exchange for the year and assets and liabilities are translated into United States Dollars at the rates of exchange ruling at the consolidated statement of financial position date. Exchange differences arising on translation of net assets in such entities held at the beginning of the year, together with those differences resulting from the restatement of profits and losses from average to year end rates are recognised in other comprehensive income.

3.2 Segment Reporting

For management and monitoring purposes, the Group is organised into one segment; drilling services to the offshore oil and gas offshore industry.

3.3 Financial instruments

(i) Recognition and initial measurement
Trade receivables and debt securities issued are initially recognised when originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument. A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent measurement
Financial assets

(a) Classification
On initial recognition, a financial asset is classified as measured at:

Amortised cost;
Fair value through other comprehensive income (FVOCI);
Fair value through profit and loss (FVPL).

A financial asset is measured at amortised cost if it meets both of the following conditions:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVPL. This includes all derivative financial assets.

Cash and cash equivalents
Cash and cash equivalents comprise cash balances and call deposits.

(b) Subsequent measurement and gains and losses
Financial assets at FVPL – these assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost – These assets are subsequently measured at amortised cost using the effective interest (EIR) method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

(iii) Impairment
The Group recognises loss allowances for expected credit losses ("ECLs") on financial assets measured at amortised cost, debt investments measured at FVOCI and contract assets (as defined in IFRS 15).

The Group measures loss allowances at an amount equal to lifetime ECL, except for other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition, which are measured as 12-month ECL.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECL.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs
ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets
At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Write-offs
The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery.

3.4 Tangible and intangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets.

Depreciation is charged to the income statement on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. Land is not depreciated. The estimated useful lives are as follows:

- Fixtures and fittings 3 to 10 years
- Drilling rigs 3 to 10 years

Depreciation methods, useful lives and residual values are reviewed at each statement of financial position date.

When the group acquires a business, separately identifiable assets in relation to customer relationships are identified and evaluated on acquisition. The useful life is assessed as finite and amortised over their estimated useful life. The amortisation period is reviewed at each reporting period. The estimated useful life is as follows:

- Customer relationships 5 years

3.5 Impairment excluding inventories and deferred tax assets

The carrying amounts of the Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit" or "CGU").

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss.

In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.6 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is based on the weighted average principle and typically includes expenditure incurred in acquiring the inventories and other costs in bringing them to their existing location and condition. Inventories primarily relate to spare parts purchased for the group's own use/consumption in the provision of drilling services. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated selling expenses. Allowance is made for obsolete and slow-moving items, based upon annual usage.

3.7 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is stated net of sales taxes (such as VAT) and discounts.

Revenue recognition is based on the existence of a valid contract, the determination and allocation of performance obligations and the transaction price of the services, and the satisfaction of the performance obligations contained in the contract Revenue is recognised when or as the performance obligations are satisfied.

Revenue from rendering of services
The rendering of services in a contract are normally assessed to meet the series guidance and accounted for as a single performance obligation for which revenue is recognised over time. The rate per hour of service is specifically allocated to the distinct hour within the series. As there is a right to bill the customer for each hour of service, which correspond directly with the value to the customer for the performance completed to date, revenue is recognised in the amount to which the entity has a right to invoice.

In connection with some contracts, the Group receives lump-sum fees or similar compensation for the mobilisation of equipment and personnel prior to the commencement of drilling services or the demobilisation of equipment and personnel upon contract completion. Fees received for the mobilisation or demobilisation of equipment and personnel are included in revenue. The costs incurred in connection with the mobilisation and demobilisation of equipment and personnel are included in contract drilling expense.

Mobilisation fees received and costs incurred are deferred and recognised on a straight-line basis over the period that the related drilling services are performed. Demobilisation fees expected to be received upon contract completion are estimated at contract inception and recognised on a straight-line basis over the contract term. Where demobilisation fees are contingent upon the occurrence or non-occurrence of a future event this may result in adjustments upon changes of estimate during the contract term. Costs associated with the mobilisation of equipment and personnel to more promising market areas without contracts are expensed as incurred.

Revenue from reimbursable expenditure
Revenue for the purchases of certain supplies, personnel services and other services provided on behalf of and at the request of customers in accordance with a contract or agreement for which the Group is principal are recognised as revenue under IFRS 15 and accounted for separately when enforceable rights and obligations arise. The list prices for these goods and services are representative of the standalone selling price.

Revenue from cancellation of contract
Consideration to the specific circumstances, contractual conditions and substance when a contract is terminated. Where a fee is earned for the termination of a contract for convenience of the customer, prior to any services being transferred and with no further performance obligations on the Group, this income is recognised as revenue in the period incurred.

3.9 Cost of Sales

Cost of sales primarily relate to the costs generated in the provision of drilling services including consumption of inventory, direct labor, rental of equipment and overhead attributable to MODU.

3.8 Share capital

The Company has one class of ordinary shares that are classified as equity with a par value of Norwegian Kroner (NOK) 1.

3.10 Taxation

Tax on the profit or loss for the year comprises current and deferred corporate tax. Tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the statement of financial position date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on tax assets and temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill, initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future.

The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the statement of financial position date. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets and liabilities are not discounted.

3.11 Business combinations and goodwill

The group use the acquisition method of accounting to account for business combinations. The consideration transferred and the net assets acquired, including those assets separately identifiable evaluated through the purchase price allocation, are measured at fair value. Goodwill represents the excess of the cost of an acquisition over the fair value of the net assets acquired. Goodwill is carried at cost less accumulated depreciation. It has an infinite useful life and is reviewed annually for impairment.

3.12 Disclosure of impact of future accounting standards – New and amended standards and interpretations

All new and amended standards and interpretations that are not yet effective are not material to the Group. IFRS 18 – Presentation and Disclosure in the Financial Statements, applicable from 01 January 2027 is yet to be evaluated.

4 Segmental reporting and contract balances

The Group has one segment, providing drilling services to the offshore oil and gas industry.

No split of revenue from contracts with customers and lease income has been prepared as it has an immaterial impact on income, balance sheet or disclosures. The revenue allocation is based on place of operation of the rig and is inclusive of the termination fee received following the cancellation of the contract for Borgland Dolphin.

In thousands of USD	2024	2023
Operating revenues by geographical location		
United Kingdom	**75,644**	-
India	**13,433**	-
Nigeria	**6,544**	73,137
Norway	**1,239**	346
Others	**-**	13
Total operating revenues	**96,860**	73,496

In thousands of USD	2024	2023
Operating revenues by major customers (>10% of revenues)		
United Kingdom	**75,644**	-
India	**13,433**	-
Nigeria	**6,544**	73,137

Segment assets were based on the geographic location of the assets

In thousands of USD	2024	2023
Total assets by geographical location		
Norway	**53,941**	21,295
UK	**35,365**	52,422

The following table provides information about receivables and contract assets from contracts with customers:

In thousands of USD	2024	2023
Receivables	**22,342**	11,008
Contract assets	**10,586**	-
Contract liabilities	**(10,586)**	(3,000)

The contract assets and liabilities relate to the mobilisation income received from customers offset by mobilisation costs of equipment and personnel prior to the commencement of drilling services.

5 Operating loss

In thousands of USD	2024	2023
Operating loss is stated after charging / (crediting):		
Depreciation tangible fixed assets – owned	**13,445**	8,045
Depreciation tangible fixed assets – leased	**327**	329
Amortisation of intangible assets	**7,206**	515
(Gain) / Loss on foreign exchange	**(6,356)**	4,421
Loss on sale of tangible and intangible assets	**1,519**	-
Impairment / (Impairment reversal) of tangible assets	**31,625**	(12,338)
impairment / (Impairment reversal) of inventories	**9,199**	(9,992)
Impairment of trade receivables and accrued income	**-**	42,590
Cost related to short term leases and low value assets	**44**	71

Other (income)/expenses

The Group separately discloses certain items which are considered 'out of the ordinary'. These are items which, in management's judgement, need to be disclosed by virtue of their size or incidence in order to obtain a proper understanding of the financial information in the year. This disclosure is based on management internal information and is a non-IFRS disclosure. For the year ended 31 December 2024 and 2023, the following amounts were reported within loss before taxation from continuing operations which relate to strategic projects and/or non-core activity:

In thousands of USD	2024	2023
Legal and professional costs	**4,210**	521
Fees related to rig acquisitions	**1,056**	-
Impairment / (impairment reversal) of tangible assets	**40,824**	(22,330)
	46,090	(21,809)

6 Auditor's remuneration

The following table shows Auditor's remuneration exclusive of VAT:

In thousands of USD	2024	2023
Audit fee, including that of subsidiary undertakings	**511**	467
Other advisory services	**54**	100
	565	567

7 Employee benefits and management remuneration

The average number of persons employed by the Group (including Directors) during the year was as follows:

	2024	2023
Average number of people employed during the year	**224**	139

The aggregate payroll costs of these persons were as follows:

In thousands of USD	2024	2023
Wages and salaries	**37,808**	24,948
Social security costs	**3,760**	2,135
Retirement benefit expense	**2,494**	1,468
	44,062	28,551

The aggregate payroll costs of executive personnel were as follows:

In thousands of USD	2024	2023
Wages and salaries	**1,152**	633
Social security costs	**229**	152
Retirement benefit expense	**11**	13
	1,392	798

In 2024 the Board of Directors did not receive remuneration for their services provided in role as Directors of the Company, except for three Non-Executive Director's who received payment for services from a subsidiary of the Company.

8 Net finance expense

In thousands of USD	2024	2023
Interest payable and similar expenses		
Interest on loans and borrowings	**10,345**	3,712
Finance charges on lease	**68**	141
	10,413	3,853
Interest receivable and similar income		
Bank interest	**(1,258)**	(1,733)
	9,155	2,120

9 Taxation

Recognised in the income statement

In thousands of USD	2024	2023
Current tax:		
Foreign tax on income for the year	**1,619**	983
Adjustment relating to prior year	**(90)**	(6)
Total current tax charge	**1,529**	977
Deferred tax:		
Origination and reversal of temporary differences	**10**	5
Adjustment relating to prior year	**26**	-
Total deferred income tax	**36**	5
Total tax expense	**1,565**	982

The standard rate of current tax for the year, based on the Norway standard rate of corporation tax, is 22% (2023: 22%).

Factors affecting the tax expense for the year
The tax assessed for the year differs from the Norway statutory rate of corporation tax. The differences are explained below:

In thousands of USD	2024	2023
Loss for the year	**(98,795)**	(42,980)
Tax at statutory rate of corporation tax in Norway 22% (PY 22%)	**(21,735)**	(9,456)
Effects of:		
Non-deductible expenses	**107**	(215)
Difference in foreign tax rates	**(19)**	22
Permanent Items	**1,471**	162
Foreign tax suffered	**1,619**	983
Tax exempt losses	**5,416**	5,208
Prior year adjustment	**(64)**	(6)
Deferred tax asset not recognised	**14,770**	4,284
Total tax expense	**1,565**	982

Uncertain tax position

Dolphin Drilling Limited, one of the Group's subsidiaries, has a tax related contingency due to a dispute with the UK Government HMRC department regarding the treatment of a vessel for the purposes of Part 8ZA CTA 2010 (being the oil contractor legislation). The estimated possible unprovided tax exposure arising from this issue is of the order of GBP 10.1 million (at 31 December 2024 this represents USD 12.4 million). Following two successful appeals defending the Group's position in the first-tier tax tribunal in November 2020, and against HMRC's appeal to upper tribunal in August 2022, a judgement handed down by the Court of Appeal in January 2024 found in favour of HMRC. The Group submitted an application to appeal to the Supreme Court and post year end (note 28) the appeal was heard and a ruling is scheduled to be delivered on 24 June 2025. No provision has been made. The Group believe that the obligation remains only possible and therefore contingent whilst awaiting the ruling from the Supreme Court.

The Group has a number of historic open tax inquiries, which are contingent liabilities and contingent claims held in the Group's subsidiary in Brazil, Dolphin Drilling Perfuração Brasil Ltda. The Group's operations and trading in Brazil ended in 2014. Tax inquiries and appeals relating to the period 2012 to 2014 continue to be in progress. No provision has been recorded in these financial statements or in prior periods on the basis that any economic outflow is considered remote and in any case limited to the capacity of the subsidiary entity which is minimal. Dolphin Drilling Perfuração Brasil Ltda also has a number of separate claims in Brazil to recover taxes suffered in the same periods, which are contingent and will not be recognised as assets unless they are received.

10 Intangible assets

In thousands of USD	Customer relationships	Goodwill	ERP Solution	Total
Cost				
Balance at 31 December 2022	**-**	**-**	**2,782**	**2,782**
Exchange movement	-	-	(61)	(61)
Balance at 31 December 2023	**-**	**-**	**2,721**	**2,721**
Acquisitions through business combination	25,673	768	-	26,441
Exchange movement	-	-	(143)	(143)
Balance at 31 December 2024	**25,673**	**768**	**2,578**	**29,019**
Depreciation and impairment				
Balance at 31 December 2022	**-**	**-**	**808**	**808**
Amortisation charge for the year	-	-	515	515
Exchange movement	-	-	19	19
Balance at 31 December 2023	**-**	**-**	**1,342**	**1,342**
Amortisation charge for the year	6,700	-	506	7,206
Exchange movement	-	-	(28)	(28)
Balance at 31 December 2024	**6,700**	**-**	**1,820**	**8,520**
Net book value				
At 31 December 2024	**18,973**	**768**	**758**	**20,499**
At 31 December 2023	-	-	1,379	1,379

Customer relationships and goodwill have arisen as a result of the purchase of Paul B. Loyd Jr. Intangible assets (other than goodwill) will be subject to review for impairment triggers annually and goodwill will be subject to annual impairment review.

11 Tangible fixed assets

In thousands of USD	Drilling Rigs	Machinery & Equipment	Leased Buildings	Total
Cost				
Balance at 31 December 2022	**164,951**	**439**	**1,881**	**167,271**
Additions	8,501	118	-	8,619
Acquisitions through business combination	5,550	-	-	5,550
Reclassification to asset held for sale	(5,519)	-	-	(5,519)
Exchange movement	(116)	(2)	(15)	(133)
Balance at 31 December 2023	**173,367**	**555**	**1,866**	**175,788**
Additions	31,840	156	-	31,996
Acquisitions through business combination	9,865	-	-	9,865
Disposal	(1,900)	-	-	(1,900)
Exchange movement	1,022	71	(35)	1,058
Balance at 31 December 2024	**214,194**	**782**	**1,831**	**216,807**
Depreciation and impairment				
Balance at 31 December 2022	**106,192**	**364**	**530**	**107,086**
Depreciation charge for the year	7,996	49	329	8,374
Impairment reversal	(12,338)	-	-	(12,338)
Exchange movement	21	1	6	28
Balance at 31 December 2023	**101,871**	**414**	**865**	**103,150**
Depreciation charge for the year	13,354	91	327	13,772
Impairment	31,625	-	-	31,625
Exchange movement	(538)	(1)	(8)	(547)
Balance at 31 December 2024	**146,312**	**504**	**1,184**	**148,000**
Net book value				
At 31 December 2024	**67,882**	**278**	**647**	**68,807**
At 31 December 2023	71,496	141	1,001	72,638

Fixed assets are assessed for impairment at least annually. There was no impairment indicator identified for Blackford Dolphin and Paul B. Loyd Jr. The value in use of Blackford rig cash generating unit includes forecast revenues for 2025 which are currently contracted and those dependent on market demand in the future. The value in use of Paul B. Loyd Jr. rig cash generating unit includes forecast revenues into 2028 which are currently contracted and those dependent on market demand in the future.

The recoverable amount of all rigs, as assessed by the Directors, is subject to significant estimation uncertainty. Critical assumptions subject to estimation (to the extent not reflective of secured contracts) are principally charter hire day rates, rig utilisation and operating costs, which vary depending on the jurisdiction of operation. In addition, climate risk factors can impact both cost and pricing measures.

At 31 December 2023, following the contract award, there was evidence to support the reversal of the previous year's impairment provision against Borgland Dolphin. Due to the cancellation of that contract and a lack of backlog, an impairment indicator was identified at 31 December 2024. The Group recorded an impairment charge of $31.6 million relating to the Borgland rig cash generating unit. An inventory provision of $9.2 million has also been recorded relating to Borgland Dolphin (note 12). This has the effect to impair the group of assets to a residual value (representative of fair value less costs of disposal) of USD 10 million.

During the current year, due to uncertainty surrounding market activity in the UK, the Dolphin Leader rig was disposed in a responsible manner. Including inventory disposed, a loss of USD 0.1m was reported.

Tangible fixed assets includes right of use assets with a net book value of USD 0.6 million (2023: USD 1.1 million). These relate to land and buildings. The cash flow statement includes total cash outflows of USD 0.4 million (2023: USD 0.6 million) relating to leases.

12 Inventories

In thousands of USD	2024	2023
Spare parts	**33,615**	31,057
Less: provision for impairment	**(9,899)**	(700)
	23,716	30,357

In 2024 inventories of $3.0 million (2023 - $4.9 million) were recognised as an expense during the year included in the income statement.

13 Trade and other receivables

In thousands of USD	2024	2023
Trade debtors	**22,342**	52,079
Less: provision for impairment	**-**	(41,071)
Deposits	**6,500**	-
Contract assets	**10,586**	-
Prepayments and other receivables	**7,187**	9,147
VAT receivable	**-**	35
	46,615	20,190
Accrued income	**163**	6,847
Less: provision for impairment	**-**	(6,847)
	46,778	20,190

The Group applies lifetime expected credit losses ("ECLs") to trade receivables, accrued income and contract assets by each entity within the Group assessing the need for an ECL and with the use of provision matrices. Receivables are appropriately grouped by a combination of factors, including geographical region, service offered or type of customer when possible. Given the small customer base at any one time, assessments are usually possible at an individual level. Actual credit loss experience using historical and forward-looking information is adjusted to reflect differences in economic conditions over the expected life of the receivable. Unbilled revenue has the same risk characteristics as the trade receivable customer to which it relates and therefore it has been concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for associated accrued income and contract assets.

The Group recognised an ECL at 31 December 2023 as there had been a significant increase in the amount of overdue receivables and primarily related to one customer. In 2024 the ECL was utilised following the termination of the contract with the customer and the subsequent arbitration. The positive result of the arbitration process entitled certain subsidiary entities within the Group to USD 105 million and management pursues enforcement action. Credit impairment in respect of all trade and other receivables at 31 December 2024 was estimated at USD Nil based on the aging and risk profile of all debtors.

The maximum exposure to credit risk is the carrying amount of each class of financial assets mentioned above (refer to note 22).

14 Cash and cash equivalents

In thousands of USD	2024	2023
Cash at bank and in hand	**34,416**	33,959

Cash at bank and in hand includes USD 5.4 million which is not immediately available for general business use.

15 Trade and other payables and contract liabilities

In thousands of USD	2024	2023
Trade creditors	**30,302**	7,215
Other taxes and social security	**1,213**	2,476
Accruals	**24,748**	19,615
VAT payable	**712**	-
Other creditors	**-**	3,154
	56,975	32,460
Contract liabilities	**10,586**	3,000
	67,561	35,460

16 Loans and borrowings

In thousands of USD	2024	2023
Non-current borrowings (falling due within two to five years):		
Lease liabilities	**512**	821
Loan facility	**45,400**	-
Current borrowings:		
Shareholder loan	**15,000**	15,000
Capitalised shareholder loan interest	**2,667**	1,431
Loan facility	**20,000**	-
Lease liabilities	**300**	437
	83,879	**17,689**

a) Shareholder loan

In 2023, the company's largest shareholders, Strategic Value Partners and S.D. Standard ETC PLC, committed to provide the company with a loan of USD 15.0 million with interest rate of 8.5%. The loan maturity date is November 2025. Post year end the ownership of this loan was changed and a plan to settle / extinguish the loan was announced (refer to note 29).

b) Leases

The Group have assessed that based on the terms of the leases, there is an immaterial difference between the contractual and present value of the minimum future lease payments.

c) Loan facility

The Group secured a loan facility of USD 65.0 million with interest rates at 9.75%. The loan has been secured by a first lien mortgage on the rig Paul B. Loyd Jr. with a maturity date in the second half of 2027. The loan is fully drawn, which includes a restricted portion of USD 6.5 million on which interest is charged but cash inflow is not received.

There are various financial and non-financial covenants associated with this facility. Financial covenants are standard covering leverage requirements, debt service capacity, market capitalisation, and minimum free cash floats. At year end no covenant breach had been reported. Post year end a waiver was obtained related to the covenant and information requirements within the first half of 2025, a upsize facility was received and a wider amendment is contemplated (refer to note 29).

17 Deferred tax assets and tax liabilities

The Group has an unrecognised deferred tax asset in relation to accelerated capital allowances in the UK of USD 37.6 million (2023: USD 37.6 million), tax losses of USD 123.6 million (2023: USD 122.5 million) and interest restriction of USD 2.0 million (2023: USD 2.2 million). The impact of the purchase of the Paul B. Loyd Jr. in 2024 to deferred tax is considered in these figures.

The Group also has a deferred tax asset in relation to Norwegian unused tax losses of USD 114.9 million (2023: USD 115.9 million), Norwegian interest restriction of USD 2.6 million (2023: USD 2.9 million) and deductible temporary differences of USD 2.0 million liability (2023: USD 2.1 million liability). The Group has a deferred tax liability in relation to Norwegian accelerated capital allowances of USD 0.2 million (2023: USD 0.7 million asset).

These deferred tax assets have not been recognised, as, based on future profit projections, the Directors believe that its recovery is uncertain in the foreseeable future. The majority of the assets will not expire, other than the Norwegian interest restriction that expires after 10 years. The Group recognises a deferred tax asset of USD 32k, which arises as a result of the legacy defined benefit pension plans.

In thousands of USD	At 1 January 2024	Recognised in income statement	Recognised in equity	Foreign exchange movement	At 31 December 2024
Employee benefits	**32**	**(36)**	**-**	**4**	**-**

18 Employee benefits

Defined contribution plans

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge for the year represents contributions payable by the Group to the fund and amounted to USD 1.8 million. There were no outstanding or prepaid contributions at the end of either financial year.

Defined benefit plans

The Group contributes to a number of post-employment defined benefit plans in Norway. These defined benefit plans expose the Group to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

The Group expects to pay USD 0.2 million in contributions to its legacy defined benefit plans in 2025.

In thousands of USD	2024	2023
Net defined benefit liability	**2,823**	3,286
Total employee benefit liability	**2,823**	3,286

The following table shows a reconciliation from the opening balances to the closing balances for the net benefit liability:

In thousands of USD	Defined benefit obligation	Fair value of plan assets	Net defined benefit liability
Balance at 31 December 2023	**3,286**	**-**	**3,286**
Impact of foreign exchange rate revaluation	**(327)**	**-**	**(327)**
Included in the income statement:			
Interest cost / income	**89**	**-**	**89**
Included in other comprehensive loss:			
Actuarial gain / loss	**(39)**	**-**	**(39)**
Contributions paid by the employer			
Benefits paid	**(186)**	**-**	**(186)**
Balance at 31 December 2024	**2,823**	**-**	**2,823**

The following were the principal actuarial assumptions at the reporting date (expressed as averages):

	2024	2023
Interest rate	**3.90%**	3.00%
Assumed salary growth	**0.00%**	0.00%
Discount rate	**3.90%**	3.00%
Turnover	**2.29%**	2.29%
Social security costs on future payments	**14.10%**	14.10%

19 Share capital and share premium

In thousands of USD	2024	2023
Allotted, called up and fully paid of Dolphin Drilling AS		
Issued: 291,890,099 ordinary shares of NOK 1 each (2023: 219,890,099 - NOK 1 each)	**35,245**	28,694
Share premium of Dolphin Drilling AS	**210,595**	179,174

The following table shows the issuance of share capital of the legal parent Dolphin Drilling AS from the date of its incorporation on 1 April 2022:

Date of registration	Type of change	Change in share capital (NOK)	Nominal value (NOK)	Number of shares
April 2022	Incorporation	30,000	10.00	3,000
September 2022	Issuance of new shares in a share-swap	857,342,000	10.00	85,737,200
September 2022	Issuance of new shares in a private placement	385,816,990	10.00	124,318,899
July 2023	Change in nominal value	-	1.00	124,318,899
July 2023	Issuance of new shares in a private placement	84,471,200	1.00	208,790,099
September 2023	Issuance of new shares in a private placement	11,100,000	1.00	219,890,099
May 2024*	Issuance of new shares in a private placement	72,000,000	1.00	291,890,099

*Transaction costs of USD 1.3 million have been deducted from equity related to the May 2024 share issue raising gross USD 39.3 million.

20 Earnings per share

Earnings per share are calculated by dividing the net loss by the weighted average number of ordinary shares outstanding during the year. The weighted average number of shares is determined by taking the number of outstanding shares and multiplying it by the percentage of the period for which that number applies. The earnings per share is based on Dolphin Drilling AS outstanding shares following the Group reorganisation. Diluted earnings per share are calculated by dividing net loss by the weighted average number of shares after adjustment of the effects of all dilutive potential ordinary shares.

In thousands of USD	2024	2023
Net (loss)	**(100,360)**	(43,962)
Weighted average number of outstanding shares	**267,243,223**	168,554,169
Basic earnings per share	**(0.38)**	(0.26)
Weighted average number of outstanding shares	**267,243,223**	168,554,169
Diluted earnings per share	**(0.38)**	(0.26)

21 Largest shareholders as at 31 December 2024

	No of Shares	Percentage
STRATEGIC VALUE PARTNERS	69,850,826	23.9 %
S.D.STANDARD ETC PLC	49,784,706	17.1 %
MORGAN STANLEY & CO. INT. PLC.*	35,016,446	12.0 %
GOLDMAN SACHS INTERNATIONAL*	18,682,401	6.4 %
SKANDINAVISKA ENSKILDA BANKEN AB*	17,783,432	6.1 %
B.O. STEEN SHIPPING AS	14,500,000	5.0 %
SURFSIDE HOLDING AS*	6,942,261	2.4 %
JEFFERIES LLC	4,774,429	1.6 %
THE BANK OF NEW YORK MELLON SA/NV*	4,542,641	1.6 %
HANSEN	4,277,000	1.5 %
UBS AG*	4,235,728	1.5 %
HELLESUND HOLDING LIMITED	4,199,737	1.4 %
BofA SECURITIES, INC*	3,763,962	1.3 %
MORGAN STANLEY & CO, LLC*	2,927,711	1.0 %
J.P. MORGAN SECURITIES LLC*	2,759,875	0.9 %
CLEARSTREAM BANKING AS*	2,502,332	0.9 %
PERSHING LLC*	2,390,593	0.8 %
GM CAPITAL AS	2,133,005	0.7 %
THE BANK OF NEW YORK MELLON SA/NV	2,111,286	0.7 %
APOLLO ASSET LIMITED	1,985,663	0.7 %
Total 20 largest shareholders/groups of shareholder	**255,164,034**	**87.4%**
Total number of shares	**291,890,099**	**100.0%**

**= Nominee account*

22 Financial instruments

Market risk

Foreign exchange risk – The Group has a number of subsidiary companies whose net assets are exposed to foreign currency translation risk. Currency exposure arising from the net assets of the Group's foreign operations is managed primarily through deposits denominated in the relevant foreign currencies. The quantitative data, as reported to management of the Group regarding the exposure of each subsidiary company to currency risk, is based on each subsidiary companies functional currency and is summarised as follows.

In thousands	US Dollar	Norwegian Kroner	Great British Pound	Indian Rupee	Nigerian Naira	Other
31 December 2024						
Cash and bank in hand	**606**	**13,069**	**4,250**	**46,695**	**345,310**	**208**
Trade receivables	**7,231**	**-**	**8,147**	**-**	**-**	**2,170**
Loans receivable	**84,449**	**-**	**4,102**	**-**	**-**	**-**
Trade creditors	**(7,036)**	**(75,633)**	**(14,185)**	**61,645**	**(676)**	**(5,455)**
Loans payable	**(53,544)**	**(127,024)**	**(4,102)**	**-**	**-**	**-**
Lease liabilities	**-**	**-**	**(574)**	**-**	**-**	**-**
Net statement of financial position exposure	**31,706**	**(189,588)**	**(2,362)**	**108,340**	**344,634**	**(3,077)**
31 December 2023						
Cash and bank in hand	11,118	1,064	1,489	-	522,592	130
Trade receivables	4,487	194	67	-	(569,280)	2,170
Loans receivable	81,028	4,102	-	-	-	-
Trade creditors	(1,536)	(50,664)	(1,326)	-	(885,069)	(5,596)
Loans payable	(17,931)	(54,250)	(4,102)	-	-	-
Lease liabilities	-	-	(694)	-	-	-
Net statement of financial position exposure	77,166	(99,554)	(4,566)	-	(931,757)	(3,296)

At 31 December 2024, if the USD had strengthened by 5% against NOK, post tax loss of the Group would have decreased by USD 2,912k. At 31 December 2024, if the USD had strengthened by 1% against NOK, post tax loss of the Group would have decreased by USD 582k. At 31 December 2024, if the USD had strengthened by 5% against GBP, post tax loss of the Group would have increased by USD 63k. At 31 December 2024, if the USD had strengthened by 1% against GBP, post tax loss of the Group would have increased by USD 13k.

Interest rate risk – The Group is exposed to interest rate risk on its interest-bearing borrowings. The Group's policy is to protect itself where against this risk where practical. This debt is denominated in USD, reflecting the magnitude of underlying cash flows of the business in this currency.

Price risk – The Group is not exposed to any significant price risk in relation to its financial instruments.

Credit risk

The Group's credit risk relates primarily to its trade debtors and other receivables. The Group has a number of customers who are primarily either well established international or national companies, or joint ventures thereof. An evaluation is carried out of the credit risk of each new customer, and when appropriate, suitable protections put in place through the use of trade finance instruments. In addition to this, all customers are subject periodic review based on individual current trading circumstances.

On a continual basis, management review an aged debtor analysis and focus on a variety of factors, including debts which are overdue for payment. The assessment of the exposure to the Group associated with the risk of default within financial assets is disclosed in note 13. Third party receivables out with terms were USD 0.2 million at year end (PY: USD 51.9 million). The Group's policy is to deposit cash at institutions with an acceptable credit rating. All cash held on deposit at 31 December 2024 was held with such institutions.

The maximum exposure to credit risk at the statement of financial position for financial instruments (by class) and contract assets was:

In thousands of USD	2024	2023
Accrued income	**163**	6,847
Trade debtors	**22,342**	52,079
Cash and bank in hand	**34,416**	33,959

Liquidity risk

The Group actively seeks to maintain a mixture of long-term and short-term committed facilities that are to ensure that the Group has sufficient available funds for operations. As part of this, the Group has debt support of a USD 15.0 million loan facility from majority shareholders and an external loan facility of USD 65.0 million. The Group is exposed to short-term downside cashflow risk if its customer(s) don't pay on time and this is challenged further by a lack of diverse funding sources.

The following are the contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest contractual interest payments and exclude the effect of netting agreements.

In thousands of USD	Carrying amount	Contractual cash flow	Less than one year**	1 to 2 years	2 to 5 years	Greater than 5 years
31 December 2024						
Trade payable and other payables	**56,975**	**56,975**	**56,975**	**-**	**-**	**-**
Loans	**76,567**	**88,319**	**45,365**	**23,410**	**19,544**	**-**
Lease liabilities	**811**	**671**	**257**	**257**	**158**	**-**
	134,353	**145,965**	**102,597**	**23,667**	**19,702**	**-**
31 December 2023						
Trade payable and other payables	32,460	32,460	32,460	-	-	-
Loans	16,431	16,928	16,928	-	-	-
Lease liabilities	1,258	1,201	508	392	300	-
	50,149	50,589	49,896	392	300	-

Capital management
The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Group consists of debt, of which remaining borrowings and terms are disclosed in note 16, cash at bank and in hand and equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings.

Fair value of non-derivative financial assets and financial liabilities
The fair value of short-term borrowings, trade and other payables, trade and other receivables and cash at bank and in hand approximates to the carrying amount because of the short maturity of interest rates in respect of these instruments.

The interest rate applied to borrowings will remain constant regardless of the Group's leverage performance. The fair value of the fixed rate element of the debt facility is considered to be the same as its book value. As the current interest profile of the Group has not significantly changed since the inception of the debt facilities, there is no material difference between the book value and fair value.

Net debt
The below is an analysis of changes in net debt from the beginning to the end of the current and prior reporting year.

In thousands of USD	Borrowings due within one year	Borrowings due after one year	Obligations under finance lease liabilities	Subtotal	Cash and cash equivalents	Net debt
Net debt analysis						
Balance at 1 January 2024	(16,431)	-	(1,258)	**(17,689)**	33,959	**16,270**
Cash flows	(20,000)	(38,500)	417	**(58,083)**	8,920	**(49,163)**
Other non-cash changes	(1,636)	-	30	**(1,606)**	-	**(1,606)**
Recognition of movements in foreign exchange	-	-	-	**-**	(8,463)	**(8,463)**
Balance as at 31 December 2024	**(38,067)**	**(38,500)**	**(811)**	**(77,378)**	**34,416**	**(42,962)**

23 Assets held for sale

During 2023, management committed to a plan to sell the Bideford Dolphin which was sold in 2024. A loss of USD 1.4m was reported following disposal of the rig.

In thousands of USD	2024	2023
Asset held for sale	**-**	5,519

24 Commitments

At 31 December 2024, the Group had capital commitments of USD 4.2 million (2023: USD 0.4 million).

25 Business combinations

On 22 June 2023, one of the Group's subsidiaries, Dolphin Drilling Limited ("DDL") entered into a contract to purchase the mobile offshore drilling units Paul B. Loyd Jr. from Transcoean Drilling UK Limited ("Transocean"). The transaction completed on 15 February 2024 when DDL took title of the assets and employment contracts of employees and the remaining performance obligations related to the customer contract with Chyrsaor Production (UK) Limited ("Harbour") were transferred.

The transaction was effective 15 February 2024. The acquisition represents one business in one geographical location, the UK, where the rig is located and operating. The purchase price for the transaction is USD 42,856,357, paid in cash across several tranches. The transaction was predominantly financed from an equity raise in June 2024.

Consideration transferred

The following table summarises the acquisition of each major class of consideration transferred.

In thousands of USD	
Cash	**42,856**

Identifiable assets acquired and liabilities assumed

The following table summarises the recognised amounts of assets acquired and liabilities assumed at the date of acquisition. The measurement of fair value for the rig and inventory asset was determined using market information and comparable cost models (particularly from the Group's existing fleet). A discounted cash flow was used to assess the customer relationship asset, specifically considering the execution of the remaining contract with customer.

In thousands of USD	Note	
Intangibles assets	10	**25,673**
Tangible assets	11	**15,415**
Inventories	12	**1,000**
Total identifiable net assets		**42,088**

Goodwill

Goodwill arising from the acquisition has been recognised as follows:

In thousands of USD	Note	
Consideration transferred		**42,856**
Total identifiable net assets		**(42,088)**
Goodwill	10	**768**

Acquisition-related costs

The Group incurred acquisition related costs of USD 1.4 million in legal and professional fees and other integration costs. These costs have been included in administrative expenses in 2024 and 2023.

Deferred tax

The deferred tax impact of the purchase of the Paul B Loyd Jr in 2024 has been considered.

26 Related party transactions

Ultimate controlling party and affiliates

The largest shareholders of Dolphin Drilling AS through the financial period to 31 December 2024 were SVP and S.D. Standard ETC PLC (Standard). The largest shareholders change post year end, refer to note 29.

The Dolphin Drilling AS Group is the largest group in which the results of the Company are consolidated.

Related party transactions

There were no sale of goods and services and related receivables arising from transactions with related parties in the year. There were no purchase of services, in respect of reimbursable expenses, incurred and paid during the year to 31 December 2024 (2023 USD nil).

SVP and Standard have a loan facility with the parent company of USD 15.0 million. Partial ownership of this loan has been changed post year end, refer to note 29. The total movement on loan facilities in the year is noted below:

In thousands of USD	2024	2023
Opening / Advanced during the year – Shareholder loan	**16,431**	15,000
Interest charged	**1,236**	1,431
Interest paid	**-**	-

Key management

Shares owned/controlled by members of the Directors and senior management are as follows

	2024	2023
CEO	**627,957**	544,624
CFO	**444,615**	377,949
Chairman	**100,596**	100,596
Director – A Løvdal	**265,000**	210,753

Key management personnel have changed post year end, refer to note 29. The information above pertains to the individuals who provided service in these roles throughout 2024

27 Principal subsidiary undertakings

	Location	Registered address	% of ordinary shares or equity held by the Group (%)
Dolphin Drilling Holding Limited	Jersey	22 Grenville Street St Helier Jersey JE4 8PX	100
Dolphin Drilling Fleetco Limited	Jersey	22 Grenville Street St Helier Jersey JE4 8PX	100
Dolphin Drilling Offshore AS	Norway	Vestre Svanholmen 12 Norway 4313	100
Dolphin Drilling Operations AS	Norway	Vestre Svanholmen 12 Norway 4313	100
Dolphin Drilling Limited	UK	New Kings Court Tollgate Chandlers Ford Eastleigh, Hampshire England SO53 3LG	100
Dolphin Drilling Offshore Limited	UK	New Kings Court Tollgate Chandlers Ford Eastleigh, Hampshire England SO53 3LG	100
DD Offshore West Africa Limited	Nigeria	13 Sumbo Jibowu St, Ikoyi, 101233, Lagos, Nigeria	100

Dolphin Drilling AS owns, directly or indirectly, 100% of all entities within the Group.

All subsidiaries provided drilling rig operations with the exception of Dolphin Drilling Holdings Limited and Dolphin Drilling Fleetco Limited which are intermediary investment and financing companies.

28 Contingent assets and liabilities

The company is in a legal process with the UK Tax Authorities ("HMRC"). The possible unprovided exposure is GBP 10.1 million in tax (at 31 December 2024 this represents USD 12.4 million). Following two rulings in the Lower Tribunal and the Upper Tribunal courts in favour of the company, the Court of Appeal found in favour of HMRC in January 2024. During May 2024 the company was granted permission to appeal to the Supreme Court and the case was heard in February 2025. No payments to HMRC are anticipated in the interim period and the outcome of the case remains uncertain. The Supreme Court has scheduled to deliver the ruling on 24 June 2025. No provision has been made, the Group believe that the obligation remains only possible and therefore contingent whilst awaiting the ruling from the Supreme Court.

Certain entities within the group have been awarded USD 105 million in the court of arbitration in Nigeria against a previous customer. The group are actively pursuing receipt of sums owed. No record has been made in the statement of financial position.

29 Subsequent events

Post year end, S.D Standard ETC Plc sold their share of the shareholder loan which represents USD 7.5 million (plus accrued interest) and 49,784,706 shares in the Group representing 17.1% of the outstanding share capital and now holds 0 shares.

On 4 March 2025 Svelland Capital Trading and B.O Steen Shipping increased their respective shareholdings to 34% and 10% respectively and are now the largest shareholders. Further purchase of shares have been made and committed refer to information below related to the private placement.

Following this, on 27 March 2025 proposals to the composition of the board were made. The following changes were executed:

Martin Nes	resigned as chairman of the board
Alf Ragnar Løvdal	resigned as director
Ronny Bjornådal	appointed as chairman of the board
Bertel Steen	appointed as director

Paul Marchand resigned from the board on 06 May 2025.

On 28 March 2025, the chairman of the board announce Jon Oliver Bryce as Chief Executive Officer and Ingolf Gillesdal as Chief Financial Officer (effective 15 April 2025).

On 28 May 2025, the company announced a substantial refinancing plan to secure the company and group's going concern basis, following a process conducted through April and May 2025. The key matters belonging to this are as follows:

- A waiver letter was obtained in relation to the loan facility of USD 65 million (note 16) relating the covenant and information requirements required in the period from 31 March 2025 to 30 June 2025. This letter also deferred repayment instalments in the period of 01 April 2025 to 30 June 2025
- Related to this facility an upsize of USD 6.5 million was agreed and drawn in two tranches in May 2025 and June 2025
- The group are now working with this lender to amend the terms of this facility for the USD 6.5 million and other key terms in support of the long-term prospects of the group. The amended and restated agreement is expected to be concluded by 30 June 2025
- One of the group's subsidiaries have signed a letter of commitment with an international financial institution for a new loan facility. The terms of this agreement are also expected to be concluded by 30 June 2025. The key terms provide a loan of minimum USD 21.5 million secured by mortgage on the rig Borgland Dolphin and Blackford Dolphin, with an interest rate of 12.5% and an expected maturity date by end of June 2027
- On 30 May 2025 the company announced it had successfully placed a Private Placement for gross proceeds of approximately NOK 297,644,400 million, equivalent of approximately USD 29 million, through the conditional allocation of 29,764,440,000 Offer Shares at a subscription price per share of NOK 0.01 (the "Offer Price"). Svelland Capital Master Fund and B.O. Steen Shipping AS and certain other investors had pre-committed to apply for Offer Shares at the Offer Price for NOK 235,064,720, equal to approximately USD 23.2 million. The Private Placement was approved at the Extraordinary General Meeting held on 17 June 2025
- A portion of the proceeds of the Private Placement are committed to repay the company's existing shareholder loan and accrued interest described in note 16

Parent company accounts

as at and for the year ended 31 December 2024

Company Income Statement

for the year/period to 31 December

In thousands of NOK	Note	2024	2023
Other income		**7,140**	9,576
Impairment of shares and subsidiaries		**(741,636)**	-
Administrative expenses	2	**73,102**	(42,202)
Operating loss		**(661,394)**	(32,626)
Interest receivable and similar income	3	**107,893**	42,128
Interest payable and similar expenses	3	**(20,880)**	(13,509)
Loss before taxation		**(574,381)**	(4,007)
Taxation	4	**-**	-
Loss for the financial year		**(574,381)**	(4,007)
Allocation of net loss			
To retained earnings		**(574,381)**	(4,007)
Total		**(574,381)**	(4,007)

Consolidated Statement of Comprehensive Loss

for the year ended 31 December

In thousands of USD	Note	2024	2023
Loss for the year		**(574,381)**	(4,007)
Other comprehensive income for the year, net of income tax		**-**	-
Total comprehensive loss for the year		**(574,381)**	(4,007)

Company Statement of Financial Position

at 31 December

In thousands of NOK	Note	2024	2023
Non-current assets			
Investments in subsidiaries	5	**1,000,000**	1,341,636
Loan to subsidiaries	6	**1,085,811**	738,018
		2,085,811	2,079,654
Current assets			
Trade and other receivables	7	**64,221**	45,238
Cash and cash equivalents	8	**9,613**	158,987
		73,834	204,225
Total assets		**2,159,645**	2,283,879
Capital and reserves			
Called up share capital		**291,890**	219,890
Share premium		**2,242,206**	1,896,842
Reserves		**(579,022)**	(4,641)
		1,955,074	2,112,091
Current liabilities			
Trade and other payables	9	**3,986**	4,649
Financial liabilities – loans and borrowings	10	**200,585**	167,139
		204,571	171,788
Total equity and liabilities		**2,159,645**	2,283,879

These financial statements were approved by the Board of Directors on 19 June 2025:

Ronny Bjornådal
Chairman

Bertel Steen
Director

Linn Katrine Høie
Director

Melissa Clare
Director

Jon Oliver Bryce
CEO

Company Statement of Changes in Equity

for the year/period ended 31 December

In thousands of NOK	Share capital	Share premium	Foreign currency translation reserve	Retained earnings	Total equity
Balance at 31 December 2022	**1,243,189**	**179,833**	**-**	**(634)**	**1,422,388**
Change in nominal value of share capital	(1,118,870)	1,118,870	-	-	-
Share issue net of related costs	95,571	598,139	-	-	693,710
Total comprehensive loss for the period					
Loss for the year	-	-	-	(4,007)	(4,007)
	-	-	-	(4,007)	(4,007)
Balance at 31 December 2023	**219,890**	**1,896,842**	**-**	**(4,641)**	**2,112,091**
Share issue net of related costs	72,000	345,364	-	-	417,364
Total comprehensive loss for the year					
Loss for the year	-	-	-	(574,381)	(574,381)
	-	**-**	**-**	**-**	**-**
Balance at 31 December 2024	**291,890**	**2,242,206**	**-**	**(579,022)**	**1,955,074**

Company Statement of Cash Flows

for the year/period ended 31 December

In thousands of NOK	31 December 2024	31 December 2023
Cash generated from operating activities		
Loss before taxation	**(574,381)**	(4,007)
Adjustments for:		
Impairment in subsidiaries	**741,636**	-
Net finance (income) / costs	**(87,013)**	(28,618)
Changes in working capital:		
(Increase) in trade and other receivables	**(18,984)**	(40,368)
Increase in trade and other payables	**114,398**	31,342
	175,656	(41,651)
Tax (paid) / refund	**-**	-
Net cash used in operating activities	**175,656**	(41,651)
Cash flows from investing activities		
(Increase) in loan to subsidiaries	**(347,793)**	(678,874)
Capital (increase) in subsidiaries	**(400,000)**	-
Net cash used in investing activities	**(747,793)**	(678,874)
Cash flows from financing activities		
Issue of new share capital	**417,364**	693,710
Draw of borrowings	**-**	152,586
Net interest received	**5,399**	11,703
Net cash generated from financing activities	**422,763**	857,999
Net change in cash and bank	**(149,374)**	137,474
Cash and cash equivalents opening balance	**158,987**	21,513
Cash and cash equivalents at 31 December	**9,613**	158,987

Notes to the financial statements

1 Accounting policies

The financial statements are as at, and for the year ended 31 December 2024.

These financial statements have been prepared in accordance with EU-adopted International Financial Reporting Standards (IFRS). The financial statements have been prepared under the historical cost convention. The parent company financial statements should be read in conjunction with the consolidated accounts.

The Dolphin Drilling AS Group was formed in September 2022 as part of a reorganisation, information presented prior to this date is for Dolphin Drilling Holdings Limited (previous parent company) and subsidiaries.

The notes to the consolidated accounts provide additional information to the parent company's accounts which is not presented here separately. The Company's functional currency is NOK and the financial statements are presented in NOK. Investments in subsidiaries are measured at historic cost, unless there is any indication of impairment. In case of impairment, an investment is written down to recoverable amount.

2 Operating loss

In thousands of NOK	2024	2023
Operating loss is stated after charging / (crediting):		
Impairment in subsidiaries	**741,636**	-
Effect of foreign exchange	**(80,185)**	32,868
Audit fees	**2,468**	2,070
Legal and professional fees	**1,288**	4,135

3 Net finance income

In thousands of NOK	2024	2023
Interest receivable and similar income		
Inter-company interest	**(102,506)**	(30,425)
Bank interest	**(5,387)**	(11,703)
	(107,893)	(42,128)
Interest payable and similar expenses		
Interest on loans and borrowings	**20,880**	13,509

4 Taxation

Recognised in the income statement

In thousands of NOK	2024	2023
Current tax:		
Norway tax on income for the year	-	-
Total current tax charge	-	-
Deferred tax:		
Origination and reversal of temporary differences	-	-
Total deferred income tax / (credit)	-	-
Total tax expense	-	-

Factors affecting the tax credit for the year

The tax assessed for the year differs from the Norwegian statutory rate of corporation tax. The differences are explained below:

In thousands of NOK	2024	2023
Loss for the year	**(574,381)**	(4,007)
Tax at statutory rate of corporation tax in Norway 22%	**(126,364)**	(882)
Effects of:		
Non-deductible expenses	**(3,220)**	(5,077)
Deferred tax not recognised	**129,584**	5,959
Total tax expense	-	-

5 Shares in subsidiaries

In thousands of NOK	Total
Cost	
Balance at 31 December 2023	1,341,636
Additions	400,000
Balance at 31 December 2024	**1,741,636**
Provisions	
Balance at 31 December 2023	-
Provided in year	741,636
Balance at 31 December 2024	**741,636**
Net book value	
At 31 December 2024	**1,000,000**
At 31 December 2023	1,341,636

Investments in subsidiaries are carried at cost and reviewed for impairment annually. A provision for impairment has been recorded as the recoverable amount of the investment (representative of fair value less costs of disposal) was was lower than the carrying value.

	Location	Registered address	% of ordinary shares or equity held by the Group (%)
Dolphin Drilling Holding Limited	Jersey	22 Grenville Street St Helier Jersey JE4 8PX	100
Dolphin Drilling Midco Limited	Jersey	22 Grenville Street St Helier Jersey JE4 8PX	100

6 Loan to subsidiaries

In thousands of NOK	2024	2023
Loan to subsidiaries	**1,085,811**	738,018

a) Loans to subsidiaries

Loans to subsidiaries are to Dolphin Drilling Ltd for general working capital purposes. Interest is charged at the rate of SOFR + 5.5% per annum.

7 Trade and other receivables

In thousands of NOK	2024	2023
Intercompany debtors	**63,462**	41,320
Prepayments and other receivables	**759**	3,918
	64,221	45,238

8 Cash and cash equivalents

In thousands of NOK	2024	2023
Cash at bank and in hand	**9,613**	158,987

9 Trade and other payables

In thousands of NOK	2024	2023
Trade creditors	**2,155**	2,127
Intercompany creditors	**843**	120
Accruals and other creditors	**988**	2,402
	3,986	4,649

10 Loans and borrowings

In thousands of NOK	2024	2023
Shareholder loan	**200,585**	167,139
	200,585	167,139

a) Shareholder loan

In 2023, the company's largest shareholders, Strategic Value Partners and S.D. Standard ETC, committed to provide the company with a loan of USD 15.0 million with interest rate of 8.5%. The loan maturity date is November 2025. Post year end the ownership of this loan was changed and a plan to settle / extinguish the loan was announced (refer to note 14).

11 Share capital and share premium

In thousands of NOK	2024	2023
Allotted, called up and fully paid of Dolphin Drilling AS	**291,890**	219,890
Share premium of Dolphin Drilling AS	**2,242,206**	1,896,842

The following table shows the issuance of share capital of the legal parent Dolphin Drilling AS from the date of its incorporation on 1 April 2022:

Date of registration	Type of change	Change in share capital (NOK)	Nominal value (NOK)	Number of shares
April 2022	Incorporation	30,000	10.00	3,000
September 2022	Issuance of new shares in a share-swap	857,342,000	10.00	85,737,200
September 2022	Issuance of new shares in a private placement	385,816,990	10.00	124,318,899
July 2023	Change in nominal value	-	1.00	124,318,899
July 2023	Issuance of new shares in a private placement	84,471,200	1.00	208,790,099
September 2023	Issuance of new shares in a private placement	11,100,000	1.00	219,890,099
May 2024*	Issuance of new shares in a private placement	72,000,000	1.00	291,890,099

Transaction costs of NOK 14.6m have been deducted from equity related to the share issue in May 2024 share issue raising gross NOK 432 million.

12 Financial instruments

Market risk

Foreign exchange risk – The Company reports net assets which are exposed to foreign currency translation risk. Currency exposure arising from the net assets of the Company is managed primarily through deposits denominated in the relevant foreign currencies. The quantitative data as reported to management of the Company regarding the exposure to currency risk is summarised as follows:

In thousands	US Dollar	Total
31 December 2024		
Cash and bank in hand	**511**	**511**
Trade receivables	**4,101**	**4,101**
Loans to subsidiaries	**84,449**	**84,449**
Loans Payable	**(17,667)**	**(17,667)**
	71,394	**71,394**
31 December 2022		
Cash and bank in hand	10,876	10,876
Cash and bank in hand	2,945	2,945
Cash and bank in hand	67,218	67,218
Cash and bank in hand	(30)	(30)
Loans to subsidiaries	(16,431)	(16,431)
	64,578	64,578

Interest rate risk – The Company is exposed to interest rate risk on its interest-bearing borrowings. The Company's policy is to protect itself where against this risk where practical. This debt is denominated in USD, reflecting the magnitude of underlying cash flows of the business in this currency.

Credit risk

The Company's credit risk relates to intercompany debtors and loans to subsidiaries. The Company's policy is to deposit cash at institutions with an acceptable credit rating. All cash held on deposit at 31 December 2023 was held with such institutions.

In thousands of NOK	2024	2023
Cash and bank in hand	**9,613**	158,987
Intercompany debtors	**63,462**	41,320
Loans to subsidiaries	**1,085,811**	738,018

At 31 December 2024 the allowance for credit impairment in respect of all trade and other receivables was estimated at nil (2023: nil) based on the ageing and risk profile of all debtors.

Liquidity risk

The following are the contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest contractual interest payments and exclude the effect of netting agreements.

In thousands of NOK	Carrying amount	Contractual cash flow	Less than one year*	1 to 2 years	2 to 5 years	Greater than 5 years
31 December 2024						
Trade payables and other payables	**3,143**	**3,143**	**3,143**	**-**	**-**	**-**
Intercompany creditors	**843**	**843**	**843**	**-**	**-**	**-**
Shareholder loan	**200,585**	**226,815**	**226,815**	**-**	**-**	**-**
	204,571	**230,801**	**230,801**	**-**	**-**	**-**
31 December 2023						
Trade payables and other payables	4,529	4,529	4,529	-	-	-
Trade payables and other payables	120	120	120	-	-	-
Intercompany creditors	167,139	171,910	171,910	-	-	-
	171,788	176,558	176,558	-	-	-

**Cash contractual cash flows with a maturity date less than one year are due within 0-3 months.*

Capital risk

The Company manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance, cash at bank and in hand and equity attributable to equity holders of the parent, comprising issued capital and reserves.

Fair value of non-derivative financial assets and financial liabilities

The fair value of short-term borrowings, trade and other payables, trade and other receivables and cash at bank and in hand approximates to the carrying amount because of the short maturity of interest rates in respect of these instruments.

13 Related party transactions

In thousands of NOK	2024	2023
Year-end current balances		
Dolphin Drilling Offshore AS – receivables	**4,016**	2,666
Dolphin Drilling Offshore AS – loan	**29,686**	-
Dolphin Drilling Offshore Ltd - receivables	**75**	-
Dolphin Drilling Ltd - receivables	**58,527**	38,533
Dolphin Drilling Ltd – loan	**1,056,125**	738,018

In thousands of NOK	2024	2023
Revenue from related parties		
Dolphin Drilling Offshore AS	**861**	2,004
Dolphin Drilling Ltd	**6,278**	7,572
Dolphin Drilling Offshore Ltd	**1**	-

In thousands of NOK	2024	2023
Expenses from related parties		
Dolphin Drilling Offshore AS	**1,082**	420

14 Subsequent events

Post year end, S.D Standard ETC Plc sold their share of the shareholder loan which represents USD 7.5 million (plus accrued interest) and 49,784,706 shares in the Group representing 17.1% of the outstanding share capital and now holds 0 shares.

On 4 March 2025 Svelland Capital Trading and B.O Steen Shipping increased their respective shareholdings to 34% and 10% respectively and are now the largest shareholders. Further purchase of shares have been made and committed refer to information below related to the private placement

Following this, on 27 March 2025 proposals to the composition of the board were made. The following changes were executed:

Martin Nes	resigned as chairman of the board
Alf Ragnar Løvdal	resigned as director
Ronny Bjornådal	appointed as chairman of the board
Bertel Steen	appointed as director

Paul Marchand resigned from the board on 06 May 2025.

On 28 March 2025, the chairman of the board announce Jon Oliver Bryce as Chief Executive Officer and Ingolf Gillesdal as Chief Financial Officer (effective 15 April 2025).

On 30 May 2025, the company announced it had successfully placed a Private Placement for gross proceeds of approximately NOK 297,644,400 million, equivalent of approximately USD 29 million, through the conditional allocation of 29,764,440,000 Offer Shares at a subscription price per share of NOK 0.01 (the "Offer Price"). Svelland Capital Master Fund and B.O. Steen Shipping AS and certain other investors had pre-committed to apply for Offer Shares at the Offer Price for NOK 235,064,720, equal to approximately USD 23.2 million. The Private Placement was approved at the Extraordinary General Meeting held on 17 June 2025. This forms part of a wider refinancing programme for the company and group. A portion of the proceeds of the Private Placement are committed to repay the company's existing shareholder loan and accrued interest described in note 10.

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To the General Meeting of Dolphin Drilling AS

Independent Auditor's Report

Opinion

We have audited the financial statements of Dolphin Drilling AS, which comprise:

- the financial statements of the parent company Dolphin Drilling AS (the Company), which comprise the financial position as at 31 December 2024, the statement of profit and loss, statement of comprehensive loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, and

- the consolidated financial statements of Dolphin Drilling AS and its subsidiaries (the Group), which comprise the financial position as at 31 December 2024, the statement of profit and loss, statement of comprehensive loss, statement of changes in equity and 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 its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU, and

- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU.

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 as required by 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) (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.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial statements and description in board of directors' report, which indicates that the company has an ongoing refinancing plan which is not completed per signing of the financial statement. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Matters

The Company's financial statements have been submitted after the deadline in Euronext Growth Rule Book II for preparation of financial statements.

Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report and the other information accompanying the financial statements. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report nor the other information accompanying the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report and the other information accompanying the financial statements. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the other information accompanying the financial statements and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report and the other information accompanying the financial statements otherwise appear to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report or the other information accompanying 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.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with 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. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

KPMG

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

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

Stavanger, 19 June 2025

KPMG AS

Mads Hermansen
State Authorised Public Accountant
(This document is signed electronically)

Appendix

Abbreviations

ALARP	As Low As Reasonably Practicable
CGU	Cash Generating Unit
DDCAMS	Competence Assurance Management System
ECL	Expected Credit Loss
EIR	Effective Interest
ERM	Enterprise Risk Management
FVOCI	Fair Value Through Other Comprehensive Income
FVPL	Fair Value Profit and Loss
FVTPL	Fair Value Through Profit and Loss
GHG	Greenhouse Gas (also refers to Greenhouse Gas Protocol)
GHL	General Hydrocarbons Limited
HMRC	UK Tax Authorities
HSE	Health, Safety, and Environment
HSEEQ	Health, Safety, Environment, Energy and Quality
IADC	International Association of Drilling Contractors
IFRS	International Financial Reporting Standards
IMO	International Maritime Organisation
IROs	Impacts, Risks and Opportunities
ISM Code	International Safety Management Code
ISMS	Information Security Management System
ISO	International Organisation for Standardisation
IRT	Incident Response Team
MARPOL	International Convention for the Prevention of Pollution from Ships
MODU	Mobile Offshore Drilling Units
NSA	Norwegian Shipowners Association
SDGs	Sustainable Development Goals
SJA	Safe Job Analysis
SOC	Security Operations Centre
TOFS	Time Out for Safety

To be the most trusted drilling services team, delivering unmatched performance, customer focus and a solutions-driven mindset.

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