



SOLSTAD OFFSHORE



# 1Q Report 2024



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## The Company



Solstad (“Solstad Companies”) consists of two main shipowning structures, Solstad Offshore ASA (“the Company” or “Solstad Offshore”) and Solstad Maritime Holding AS (“Solstad Maritime”).

The Solstad Companies have different owner structures, but a shared management function where ship management services are provided between the Solstad Companies both ways. The Solstad Companies have 2,300 employees and operate under one brand with a shared approach to the global offshore energy markets. The vessels in Solstad are all suitable for work within both renewable energy and oil and gas activity. Solstad Maritime was financially deconsolidated from Solstad Offshore as of January 16, 2024.

Main characteristics of the Solstad Companies are:

### Solstad Offshore ASA

- Listed at Oslo Stock Exchange
- Currently owns 31.6% in Solstad Maritime Holding AS\*
- Owns or control 8 vessels directly or jointly with partners
- Owns the local shipmanagement structure in Solstad Brazil
- Owns 50% of the ROV owning company Omega Subsea Robotics AS
- Provider of ROV, Survey and other additional services (through Solstad Services)

### Solstad Maritime Holding AS

- Not publicly listed
- Owns 33 vessels
- Owns the shipmanagement company Solstad Shipping AS
- Solstad Shipping AS is the DoC (Document of Compliance) holder\*\* for all vessels owned or controlled by the Solstad Companies
- Provider of ROV, Survey and other additional services (through Solstad Services)

\* Reference is made to Company Refinancing on pages 15-17, the “Refinancing”.

\*\* DoC holder is the company which has been issued the Document of Compliance, where “the company” means the owner of the ship or any other organization or person such as the manager, or the bareboat charterer, who has assumed the responsibility for operation of the ship from the owner of the ship and who on assuming such responsibility has agreed to take over all the duties and responsibilities by the “International Safety Management Code” in accordance with ISM code Regulation 2.





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# Letter from the CEO

1Q 2024 was characterized by continued high activity across segments and geographical regions, and solid operational performance. The first few months of each year is normally an active season for vessel maintenance. That has also been the case in 1Q 2024, especially for Solstad Maritime, with lower fleet utilization compared to the previous quarter as a result of planned docking and maintenance schedules. This obviously affected the financial result in the quarter, but performance from the rest of the fleet has been good.

There is still high activity level across the industries in which we operate. This puts pressure on our organization on land and offshore. Health and safety focus remain our license to operate and the importance of maintaining high HSE standards is vitally important for us and customers. In 1Q, we maintained our solid HSE standards. Our safety culture behavior program “Solstad Incident Free Operations” remains an important catalyst to reinforcing a workplace culture that is committed to eliminating incidents and injuries.

Further, a realistic plan to reduce our emissions is not only an expectation from society in general, but also considered a competitive edge if we do so successfully. Hence, we have increased our ambition level in this regard, and we continue to deliver on our targets. Our offshore crews are instrumental in this work.

In January, the major part of the Refinancing was successfully implemented. Consequently, Solstad has been divided into two separate owner structures. Solstad Offshore consists of seven high-end AHTS and CSVs and 50 percent ownership in the Normand Installer joint venture, while Solstad Maritime holds 33 high-end AHTS and CSVs. Solstad Offshore currently owns 31.6 percent of the shares in Solstad Maritime Holding AS.

This financial report is for Solstad Offshore. Solstad Maritime is now considered an “associate”, which means that it is not consolidated into Solstad Offshore’s financial accounts. However, Solstad Offshore’s share of Solstad Maritime’s profits is listed in the Condensed Statement of Comprehensive Income as part of Income from investments in associates. To provide shareholders with a full overview of the financial performance of both Solstad Offshore and Solstad Maritime, we have prepared a summary of Solstad Maritime’s results in note 7.

It is important to underline that the above-mentioned owner structures do not affect our market position. All vessels still operate under the Solstad brand, and both structures are served by the same management companies. Hence, our clients, suppliers, cooperation partners and employees relate to Solstad in the same way as before.

Bidding activity in 1Q continued at a high level. Based on new contracts we have signed and prospects we see, the remainder of the year looks to have high and increasing activity.

All in all, we are in a good place, backed by a favourable market, highly capable fleet, tier one operating organisation and a robust balance sheet. Our job remains to capitalize on the many opportunities we see ahead of us.

Thank you.



**Lars Peder Solstad**  
CEO



# Highlights

- The major part of the “Refinancing”, and new ownership structures, was completed on 16 January 2024.
- High utilization of 94% for vessels in operation during the quarter.
- Operating Income from continued operations for 1Q 2024 of MNOK 768.
- EBITDA adjusted from continued operations of MNOK 247.
- Introducing a service division that enables an offering of additional services such as ROVs, tooling, project personnel, engineering support. Refer to page 9.
- The new Services segment delivered Operating Income of MNOK 60 in the quarter.
- Solstad Maritime achieved a utilization of 87%. Operating Income of MNOK 1,229 and EBITDA adjusted of MNOK 668 equal to a margin of 54%.

## Solstad Maritime Holding AS NOK 750 million Share Issue



- Eligible Shareholders of Solstad Offshore ASA can subscribe 63,497,303 shares at NOK 11.82 equal to NOK 750,538,121 in a placement directed at Solstad Offshore ASA shareholders (the “Share Issue”)
- Total shares in Solstad Maritime Holding AS before Share Issue is 401,861,252 and will be 463,358,555 after
- Eligible Shareholders are Solstad Offshore ASA shareholders, except Aker Capital, per 27 October 2023 (as shown in VPS on 31 October)
- Aker Capital has underwritten the entire Share Issue and will subscribe for unused rights
- Eligible Shareholders get 1 – one – subscription right per Solstad Offshore ASA share they owned on 27 October
- One subscription right gives the right to subscribe 1 – one – Solstad Maritime Holding AS share
- No over-subscription and no subscription without rights
- Shareholders in Solstad Offshore ASA will be notified by VPS regarding subscription rights and a stock exchange notice will follow under SOFF ticker that the prospectus in Solstad Maritime Holding AS has been approved with details for when the subscription period begins- and ends. Subscription period is estimated to start primo June 2024. All relevant information will published on the Companys website.



## Assets Held For Sale

### Solstad Offshore and Solstad Maritime



The Company announced a financing solution on 23 October 2023 supported by Aker Capital AS, AMSC ASA, DNB Bank ASA and Eksportfinans Norge AS (the “Refinancing”). The major part of the Refinancing was completed on 16 January 2024. Assets included in the financing solution was classified as held for sale up until date of completion on 16 January 2024 and were subject to year-end 2023 impairment testing. Solstad Offshore ASA will, fully diluted, have a 27% direct ownership of Solstad Maritime Holding AS (“Solstad Maritime”). Solstad Maritime is reflected as an investment in associates and accounted for using the equity method in line with IAS 28. Refer to Company Refinancing on pages 15-17. Refer to note 1 and 2.

## Key Financials

| NOK million                            | 2024        | 2023        | 2023        | 2022        | 2021        |
|--|-------------|-------------|-------------|-------------|-------------|
|  | 01.01-31.03 | 01.01-31.03 | 01.01-31.12 | 01.01-31.12 | 01.01-31.12 |
| Operating income **                    | 768         | 1,363       | 6,979       | 4,778       | 5,418       |
| EBITDA adjusted **/****                | 247         | 459         | 2,830       | 1,650       | 1,534       |
| EBIT **                                | 225         | 920         | 1,944       | 1,219       | -7          |
| Profit before tax **                   | -29         | 284         | 345         | -344        | -1,110      |
| Cash and equivalents ***               | 691         | 2,209       | 1,883       | 2,170       | 2,459       |
| Working capital ***                    | -55         | -17,660     | -10,611     | 320         | -119        |
| Equity                                 | 1,675       | 1,727       | 1,825       | 1,753       | 3,083       |
| Net interest bearing debt *            | 4,708       | 21,255      | 14,097      | 21,117      | 18,257      |
| Adjusted net interest bearing debt**** | 2,288       | N/A         | N/A         | N/A         | N/A         |
| Order backlog **                       | 3,100       | 6,200       | 7,500       | 6,400       | 5,600       |

\* Including recognized debt relating to IFRS 16 Leases (Note 6 and 8). Includes assets and liabilities held for sale as of 31 December 2023 (Note 2)

\*\* Continued operations reported for 2023 and 2022 (AHTS, CSV), while historical figures for 2021 remains unaltered (AHTS, CSV, PSV)

\*\*\* Includes assets and liabilities held for sale as of 31 December 2023 (Note 2)

\*\*\*\* Included adjustments for IFRS-16 leases for 2023 and 2024



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# Operational Update



## Solstad is a world-leading owner and operator of offshore service vessels.

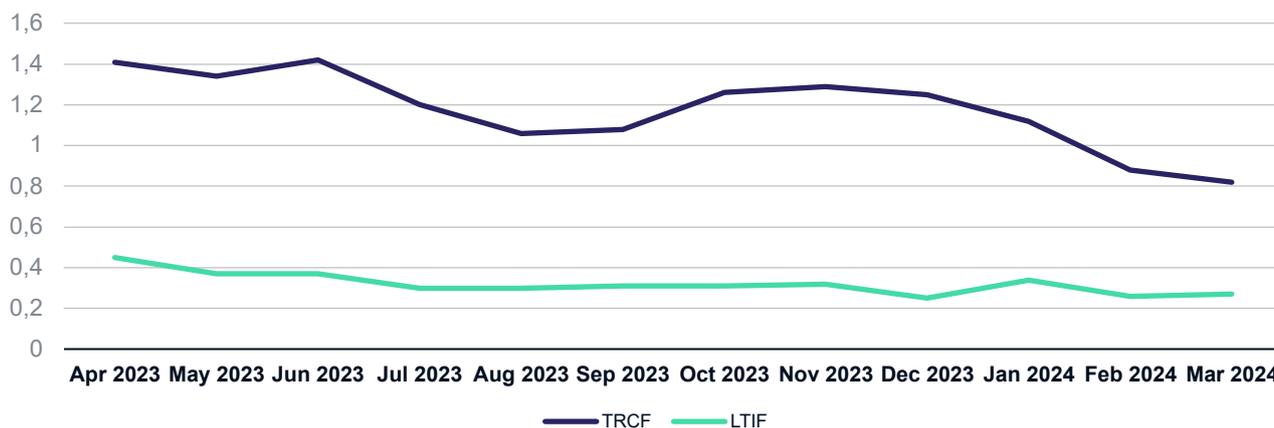
Solstad Shipping AS, a company 100% owned by Solstad Maritime, continues to act as the DoC holder for the 8 vessels owned and controlled by Solstad Offshore in addition to being the DoC holder for the 33 vessels owned by Solstad Maritime.

### HSE

In 1Q 2024, the Solstad Companies reported a Total Recordable Case Frequency (TRCF) of 0.82 over the last 12 months, which is below the target of 1.0 and all-time low in the company. One LTI (Lost Time Incident) was reported in 1Q 2024.

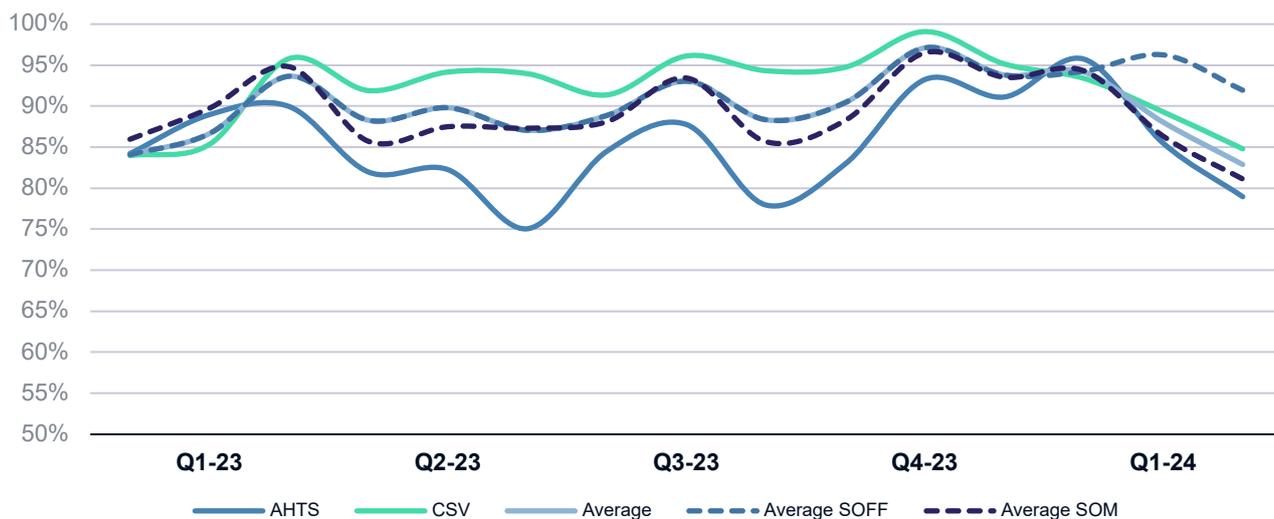
The Solstad Companies HSE campaign for the 1st half of 2024 focuses on our safety culture behavior program, "Solstad Incident Free Operations" (SIFO). The objective is to further improve HSE performance by reinforcing a workplace culture that is committed to eliminating incidents and injuries. Specific focus during the campaign is "Choose to follow the safety rules & procedures."

TRCF & LTIF rolling average 12 months





### Utilization



### Operations

The total number of crew in Solstad Offshore is approximately 510 and the crewing situation is stable.

From a procurement and logistics perspective, commodity prices remain elevated compared to pre-inflation levels. Recent events in the Red Sea have further impacted shipping costs and price of goods.

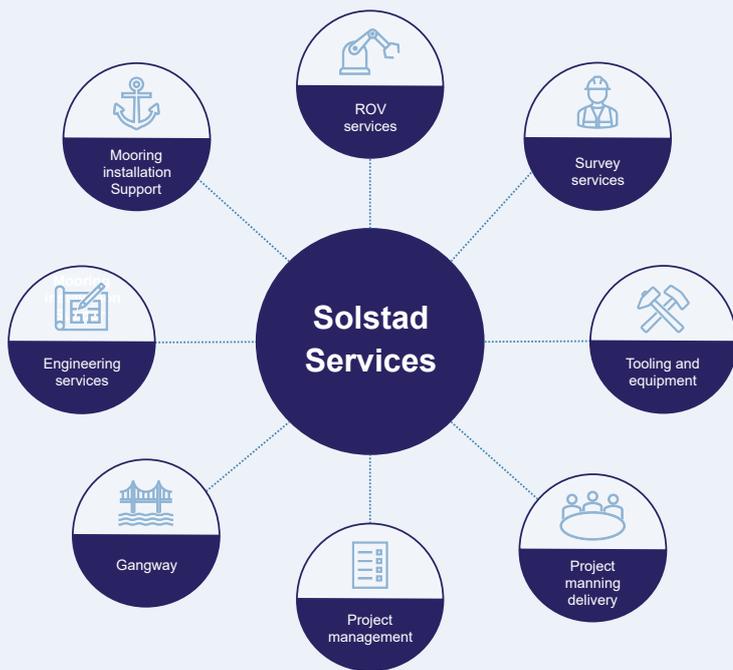
Supply constraints persist in some regions, significantly extending lead times. To avoid downtime, planning and evaluation of critical spare parts are crucial.

One planned main class renewal were conducted in 1Q 2024. The average technical uptime (YTD) was 98.56% vs a KPI of 98.5% in Solstad Offshore.

### Utilization

As of 31 March 2024, Solstad Offshore controlled a total fleet of 8 vessels, of which all were in operation: 5 CSVs and 3 AHTSs. In addition, Solstad Offshore has through its subsidiaries in Brazil operated vessels on behalf of Solstad Maritime.

The overall utilization for the Solstad Offshore fleet in 1Q 2024 was 94% compared to 88% in 1Q 2023. The CSV fleet had utilization of 100% (88%) and the AHTS fleet 84% (88%).



# Solstad Services

**Solstad Services enables an offering of additional services such as ROVs, tooling, project personnel and engineering support.**

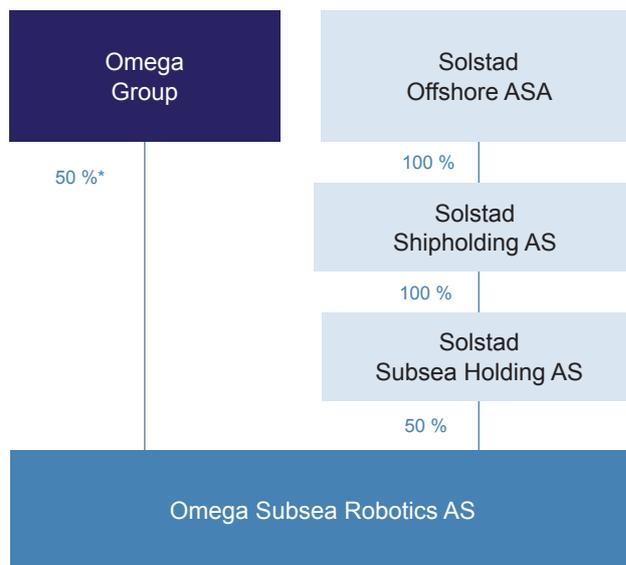
The main focus remains on being an owner and operator of offshore vessels, but through Solstad Services, clients can access a more complete and well-equipped working platform and service offering, including all the activities in the figure above.

All equipment will be delivered as a part of the same commercial principles that exist for the vessel time charter model. The main profit from services provided will be reflected on the individual vessel.

The services are delivered with support from Solstad's strategic partner, Omega Subsea AS, who is responsible for delivering the majority of the manning for the services.

Solstad Offshore and the Omega Group have established a joint venture, Omega Subsea Robotics AS. As a joint owner and as a investment vehicle for ROVs.

Omega Subsea Robotics AS has so far invested in 12 work class ROVs. 6 ROVs are already installed on the Solstad Companies vessels, while the remaining 6 ROVs will be delivered during 2024.



\* Omega AS 23,28 % | Omega Subsea AS 23,29 % | Other 3,43 %



# Solstad Maritime

## Financial Highlights 1Q 2024

### Solstad Maritime results (01.01.2024):



- |                            |            |
|----------------------------|------------|
| • Revenues                 | MNOK 1,229 |
| • Net Result               | MNOK 128   |
| • EBITDA adjusted          | MNOK 668   |
| • Net assets / Equity      | MNOK 5,295 |
| • Net cash from operations | MNOK 494   |
| • Adjusted NIBD            | MNOK 8,523 |
- Revenue for the Normand Maximus bareboat agreement with Solstad Offshore amounts to MNOK 68 in the quarter effective from 16.01.2024, in which is reflected in financial income and loan downpayment. This is excluded from Operating result before depreciations.

## Solstad Maritime Holding AS

In January 2024, the major part of the Refinancing of Solstad was successfully implemented. Consequently, Solstad has been divided into two separate owner structures: Solstad Offshore ASA and Solstad Maritime Holding AS.

Solstad Maritime Holding AS is not publicly listed.

## Assets in Solstad Maritime include (but not limited to):

- 33 high-end AHTS and CSVs
- Approximately 1,800 employees
- Ship management company Solstad Shipping AS
- Provider of ROV, survey and other additional services through Solstad Services
- Ownership in Joint Ventures and Associates:
  - Windstaller Alliance (33.33%)
  - Remota Holding AS (33.33%), which includes Remota AS and USV AS
  - Solstad Offshore Crewing Services Philippines Inc. (25%)

## Accounting effects

Solstad Offshore ASA currently owns 31.6% of the shares in Solstad Maritime Holding AS. This ownership share is expected to be reduced to approximately 27% following completion of the NOK 750 million private placement directed at existing shareholders of Solstad Offshore ASA.

The minority ownership share means that Solstad Maritime is now considered an “associate”, which means that it is not consolidated into Solstad Offshore ASA’s financial accounts. Instead, you can identify the accounting effects of Solstad Offshore ASA’s ownership in Solstad Maritime at the following places:

- **Condensed Statement of Comprehensive Income: “Income from investments in associates”** (see page 22 of this report). This line is limited to Solstad Maritime.
- **Condensed Statement of Financial Position: “Investment in associates and joint ventures”** (see page 24 of this report). Note that this line includes both the ownership in Solstad Maritime and joint ventures Normand Installer SA and Omega Subsea Robotics AS.

To provide shareholders with a full overview of the financial performance of both Solstad Offshore ASA and Solstad Maritime, we have prepared a summary of Solstad Maritime’s 1Q 2024 results in note 7.

# Financial Summary



## Operating Income from continued operations for 1Q 2024 amounted to MNOK 768 compared to MNOK 1,363 in 1Q 2023.

- The main explanations for the variances in figures between the years is the deconsolidation of Solstad Maritime effective from 16 January 2024.
- Operating expenses for continued operations in 1Q 2024 amounted to MNOK 507 of which MNOK 409 is classified as vessel operating expenses. Compared to 1Q 2023, total operating expenses was reduced by MNOK 331.
- Administrative expenses for continued operations in 1Q 2024 were MNOK 98 compared to MNOK 88 in 1Q 2023. The increase is predominantly related to the Refinancing.
- Operating result before depreciation and impairment for continued operations was MNOK 392 in 1Q 2024 compared to MNOK 1,062 in 1Q 2023. The sale of Normand Jarl occurred in February 2023 with a gain of MNOK 450.
- Unrealized currency loss for continued operations in 1Q 2024 was MNOK 69 compared to a loss of MNOK 282 in 1Q 2023 due to debt nominated in USD.
- Ordinary result before taxes from continued operations in 1Q 2024 was a loss of MNOK 29 compared to positive MNOK 284 in 1Q 2023.
- EBITDA adjusted from continued operations was MNOK 247 in 1Q 2024 compared to MNOK 552 for 1Q 2023.
- Total liquidity for the Company was MNOK 691 in 1Q 2024 compared to MNOK 2,209 in 1Q 2023.
- Total booked equity at the end of the quarter was MNOK 1,675.
- Solstad Offshore has recognized a gain of NOK 131 million connected to the transaction and deconsolidation of Solstad Maritime for the period of 1 - 16 January 2024. Mainly related to foreign exchange movement and accounting impacts from repayment of secured debt before maturity date, ref. the Refinancing.



## Cash Flow and Cash Position

### Q1 2024



The overall cash position at the end of 1Q 2024 was MNOK 691 compared to MNOK 2,209 in 1Q 2023. The net cash flow from operations was positive by MNOK 270 for 1Q 2024. Net cash flow from investments was negative by MNOK 1,373, mainly due to deconsolidation of Solstad Maritime. Net interest paid to lenders was MNOK 51. Repayment of long-term debt to lenders was MNOK 8, and loan received from Solstad Maritime was MNOK 100 in 1Q 2024. The outstanding secured bank syndicate debt of BNOK 11.4 was repaid in the quarter, offset by repayment from Solstad Maritime on former intercompany debt to Solstad Offshore, refer to Company Refinancing.

### Capital Structure

Total current assets at the end of 1Q 2024 were MNOK 1,334, compared to MNOK 4,564 per 1Q 2023. Of the total current assets, cash and cash equivalents amounted to MNOK 691 compared to MNOK 2,209 in the same quarter last year.

Total current liabilities were MNOK 1,390, compared to MNOK 22,224 in 1Q 2023. Working capital amounted to negative MNOK 55 compared to negative MNOK 17,660 in the same quarter last year. The short-term debt in 1Q 2023 is mainly related to the fleet loan and residual claim of CSV Normand Maximus which previously matured on 31 March 2024. Refer to Company Refinancing. This debt maturity is prolonged to 16 January 2027.

Total non-current assets at the end of 1Q 2024 were MNOK 6,480, compared to MNOK 16,077 in the same quarter last year. The decrease is mainly related to the deconsolidation of Solstad Maritime.

Net interest-bearing debt was at MNOK 4,708 (including leasing debt) with the net decrease of MNOK 16,546 mainly related to repayment of debt following the sale of the PSVs, and the deconsolidation of Solstad Maritime and the associated repayment of former outstanding debt / fleet loan, refer to Company Refinancing. In 1Q 2023, the net interest-bearing debt was at MNOK 21,255.

The Company's equity as of 31 March 2024 was MNOK 1,675 which represents 21.4% of the total balance sheet. On 31 March 2023, the equity was MNOK 1,727 equivalent to 6.5% of the balance sheet. The main driver for the

increased equity ratio from 31 March 2023 is the repayment of the former outstanding debt / fleet loan associated with the deconsolidation of Solstad Maritime.

The balance sheet is sensitive to currency movements, particularly reporting currency NOK to USD.

### Risk

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

One of the key commercial risks for Solstad is the cyclical oil and gas markets that the Company operates in, with high volatility in charter rates, vessel values, and consequently profitability. Charter rates have increased throughout 2023 and 2024, after a long period of suppressed rates due to market imbalance. Factors affecting this are partly outside the Company's control and influence.

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

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

The Company is exposed to interest rate and currency risk, primarily through financing and contracts. Interest rate



risk is mainly due to long-term debt with floating interest. With a substantial portion of the mortgaged debt in USD, currency exchange fluctuations can have a significant effect on the Company's profit and loss, debt, and consolidated booked equity.

A risk mitigation framework has been established based on identifying, assessing, and managing risks that affect the Company. The board of Solstad Offshore monitors the overall risk factors for the Company.

Cyber security risk in general has increased, partly driven by the war in Ukraine. Recent events in the Red Sea mainly implies risk to shipping costs and price of goods.

For further details, refer to section 9 in the Board of Directors' report in the Annual Report for 2023.

## Refinancing Update

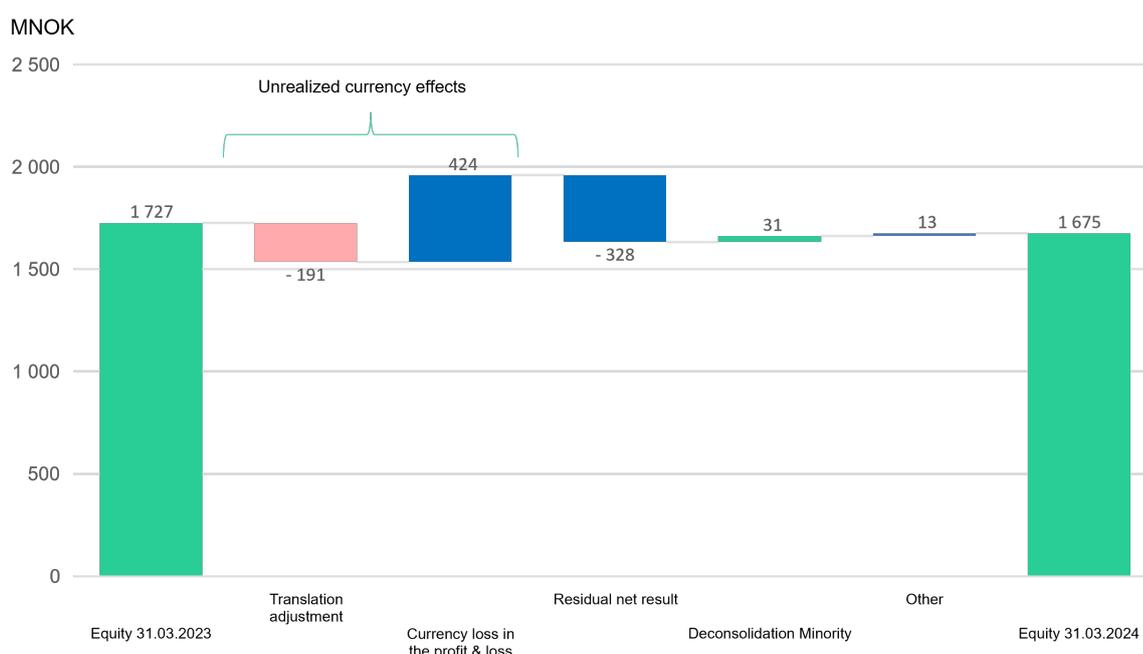
Since the restructuring in 2020, Solstad Offshore has communicated that there was a significant refinancing risk related to the Company's secured debt and the residual claim related to the leasing arrangements for "Normand Maximus".

The Company Refinancing (see pages 15-17) means that the Company has succeeded in reducing the refinancing risk. By securing the required financing, the Company is released from all guarantee liabilities from the 2020 fleet loan agreement, and the maturity for the Normand Maximus residual claim has been postponed by a minimum of 3 years, but still need to be refinanced at maturity.

## Standalone Financing Structures

In addition to the Refinancing, Solstad Offshore is in the process of refinancing the mortgage debt towards the vessel "Normand Superior". The maturity under the current financing has been extended to 30 June 2024. This refinancing is contemplated to be completed within 2Q 2024.

### Equity movements last 12 months





## The Maximus Residual Claim



In connection with the Refinancing, agreements were entered into between i.a Solstad Offshore ASA (The Company) and Maximus Limited, amending the agreement regarding the residual claim relating to the former leasing agreement for the CSV “Normand Maximus”.

Firstly, the agreement governing the terms of the Residual Claim originally entered into on 12 May 2022, between Maximus Limited, subsidiaries of the Company and the Company was amended so that the maturity of the Residual Claim was postponed from 31 March 2024 to the date corresponding to the maturity date of the new facility agreement which was entered into between Solstad Maritime AS and a bank syndicate as part of the Refinancing.

This means that the maturity of the Residual Claim is postponed until 16 January 2027, with possible 1+1 year extensions if the financing to Solstad Maritime AS is extended (at the discretion of the bank syndicate). The latest maturity date of the Residual Claim is 16 January 2029. The Residual Claim is guaranteed by the Company, and needs to be refinanced within the new maturity date.

In addition, an agreement was entered into between Solstad Shipholding AS, the Company, Maximus Limited and the lenders to Maximus Limited. Pursuant to this agreement, the parties have agreed that Solstad Shipholding AS at certain conditions, is granted a right and obligation to purchase the Residual Claim against payment of NOK 200 million.

This right and obligation come into force in the event that the previous lenders to Maximus Limited prevail in litigation in Norway and Cayman Island on the right to ownership to the shares in Maximus Limited. The Company does not have a view on the likely outcome of the litigation and the chances of the option becoming exercisable and no assurances can be given in that regard.

The Residual Claim remains guaranteed by the Company and carries interest at 9.5% payable in kind at the maturity date in accordance with the original agreement entered into on 12 May 2022.

## Company Refinancing

On 23 October 2023, Solstad Offshore ASA, Aker Capital AS, and AMSC ASA announced that an agreement for the refinancing of Solstad Offshore ASA had been entered into between Aker Capital AS, Solstad Offshore ASA's subsidiary Solstad Shipholding AS and AMSC ASA (the "Refinancing"), which included the establishment of Solstad Maritime Holding AS and subsidiaries ("Solstad Maritime").

The Refinancing secured new equity of NOK 4 billion and refinancing of a majority of Solstad Offshore ASA's outstanding secured debt of about NOK 11.4 billion (the "Refinanced Debt"), by a new long-term financing of about NOK 9.7 to Solstad Maritime. Prior to the Refinancing, Solstad Offshore ASA, via its wholly owned subsidiary, Solstad Shipholding AS held 100% of the shares in each of Solstad Shipowning Holding AS, Solstad Operations Holding AS and Solstad Management Holding AS (the "Target Companies"). Solstad Shipowning Holding AS owns a fleet of 33 AHTS and CSV vessels.

Pursuant to the Refinancing, the Target Companies were contributed from Solstad Shipholding AS to Solstad Maritime Holding AS as contribution in kind.

The major part of the Refinancing was completed on 16 January 2024. On 16 January 2024, Solstad Maritime Holding AS completed a private placement directed towards Aker Capital AS, raising gross proceeds of NOK 2.25 billion in cash against issuance of new shares in Solstad Maritime Holding AS, and a private placement directed towards AMSC ASA where the shares in the company owning the CSV "Normand Maximus", were contributed in-kind against issuance of NOK 1.0 billion equivalent of new shares in Solstad Maritime Holding AS. Simultaneously with these private placements, the Refinanced Debt was repaid and about NOK 9.7 billion in new financing was extended to Solstad Maritime.

The outstanding part of the Refinancing is a share issue towards eligible shareholders in Solstad Offshore ASA in the amount of up to NOK 750 million, which is contemplated to be completed within 2Q 2024.

Following completion of this share issue, Solstad Maritime Holding AS will be owned (ownership at the date hereof in brackets) approximately 41% (47%) by Aker Capital AS, 18% (21%) by AMSC ASA, 27% (32%) by Solstad

Shipholding AS and if they subscribe in the share issue, 14% by Solstad Offshore ASA's shareholders. The Share Issue is underwritten by Aker Capital AS.

In addition to the refinancing of the Refinanced Debt, the Refinancing also included an agreement whereby the maturity of the NOK 1.9 billion legacy claim related to the former leasing arrangements for Normand Maximus was deferred until 2027. In addition Solstad Shipholding AS is granted an option to purchase this claim from the lenders for NOK 200 million in certain circumstances related to legal proceedings involving the former owners of Normand Maximus.

The following vessels remain as part of Solstad Offshore ASA:

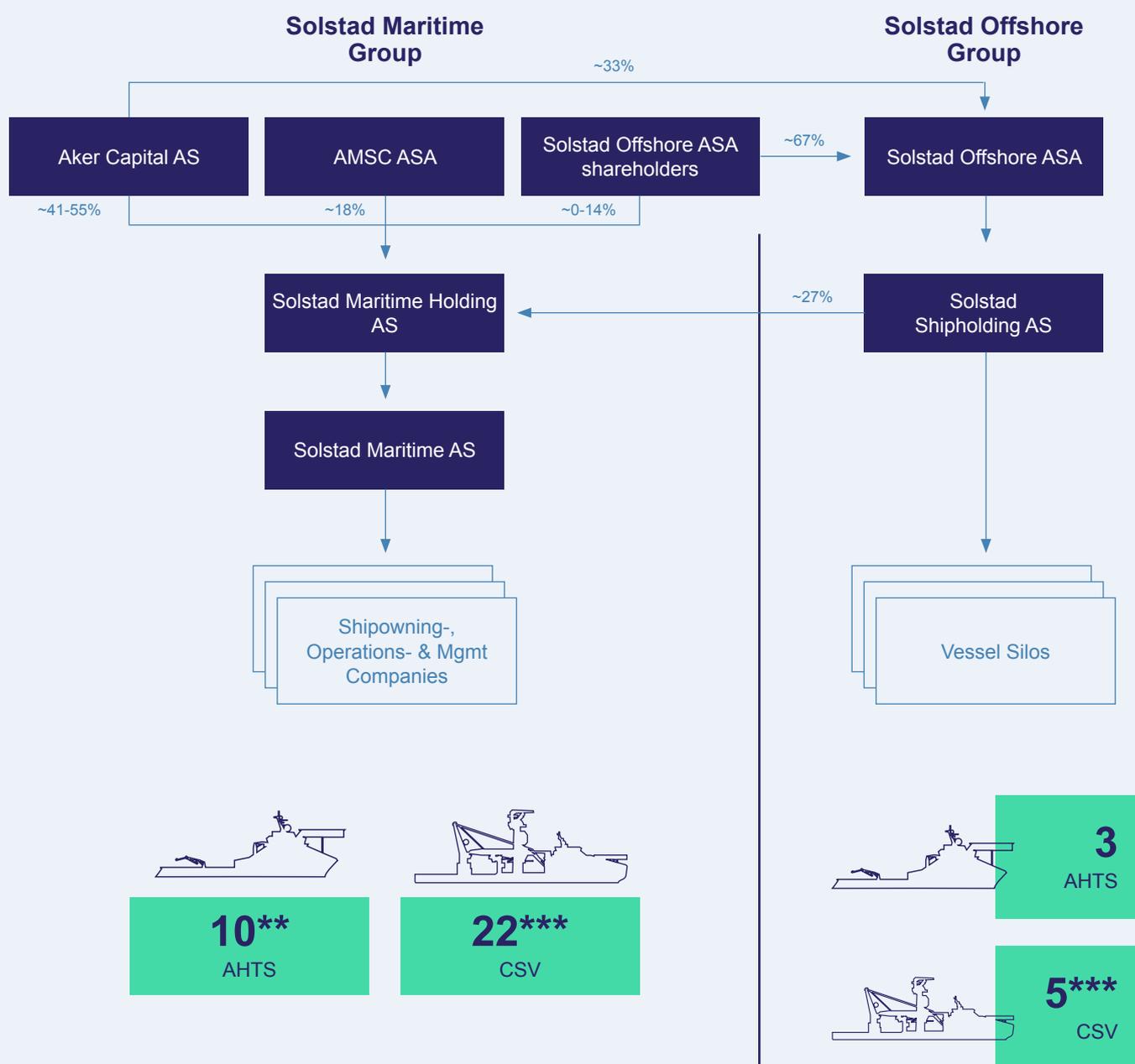
- CSVs: Normand Carioca and Normand Superior. The Normand Tonjer is owned 56% by Solstad Offshore ASA. The Normand Installer joint venture together with SBM split 50% ownership. Normand Maximus is on bareboat from Solstad Maritime.
- AHTSs: Normand Topazio, Normand Turquesa and Normand Turmalina.

After completion of the Refinancing, the structure of Solstad is reflected on the following pages.





## Structure\*



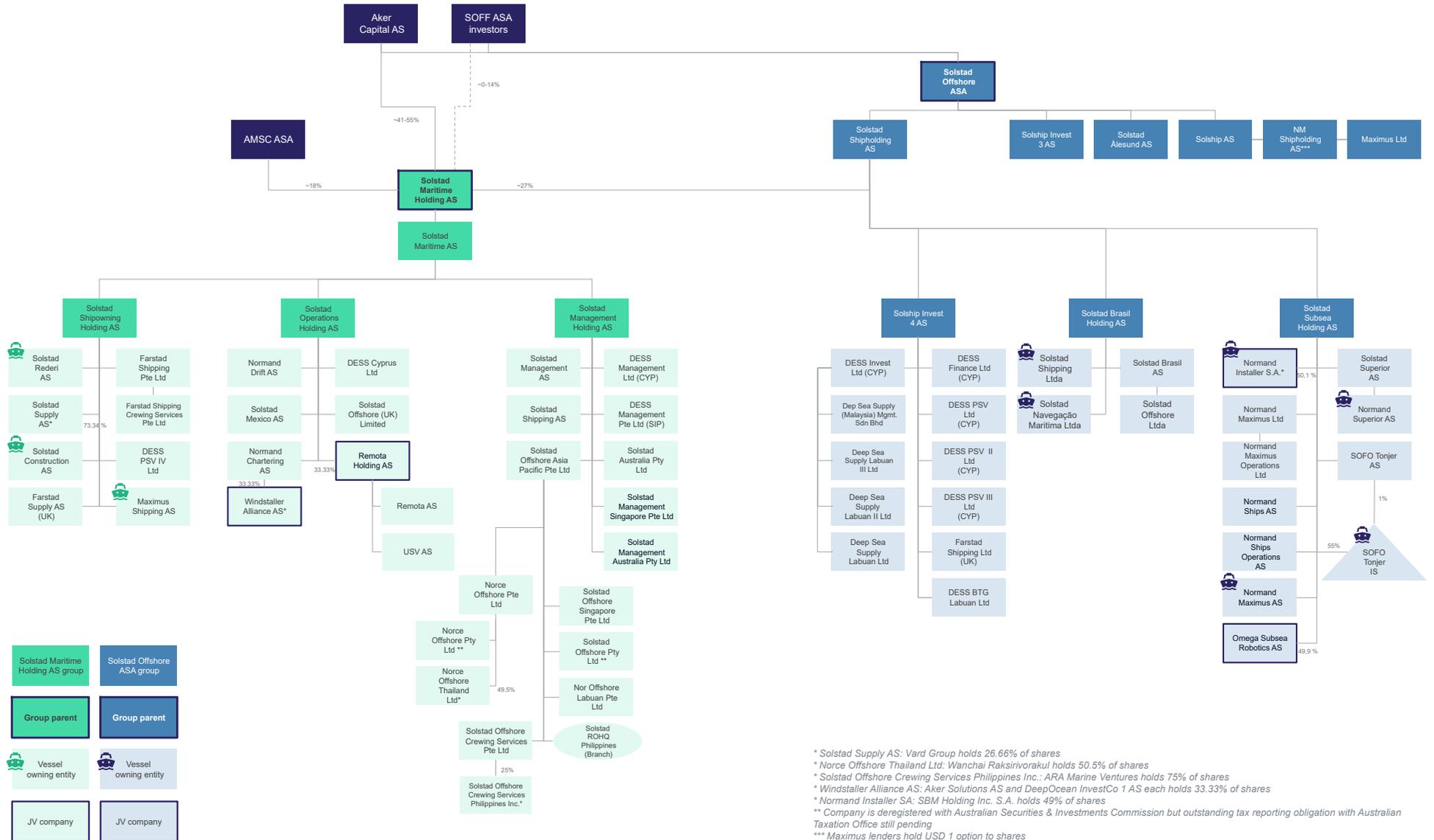
\* Ownership structure following completion of the NOK 750 million private placement directed at existing shareholders of Solstad Offshore ASA

\*\* In addition, 1 AHTS vessel in lay up held for sale.

\*\*\* Normand Maximus included under Solstad Offshore and Solstad Maritime



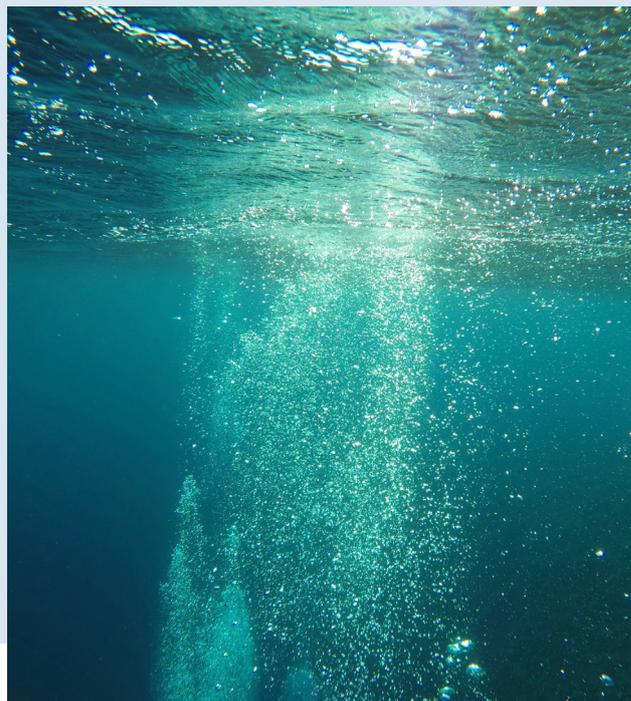
# The Refinancing Implements a New Solstad Ownership Structure





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# Sustainability



## The average Solstad Companies fleet GHG emissions decreased by 1% in 1Q 2024 compared to 1Q 2023

- Sustainability is a high priority and Solstad Companies continuously strive to meet and exceed expectations from stakeholders.
- The average vessel GHG emissions per day for the vessels (now only CSV and AHTS vessels) have decreased by 1% compared to the same quarter in 2023, despite a heightened overall activity.
- The number of fuel-saving operational measures called Solstad Green Operations (SGOs) conducted per vessel this quarter was 22,1 (SGOs per vessel per month), which is above the increased goal for 2024 of 22,0.

### Environment

With a reduction in vessels in operation to 38 by the end of March, the total fleet emissions were 101 kton for 1Q 2024. This is around 40% percent lower than same quarter in 2023. The main reason for the reduction is the the PSV fleet sale, but increased efficiency also plays a role.

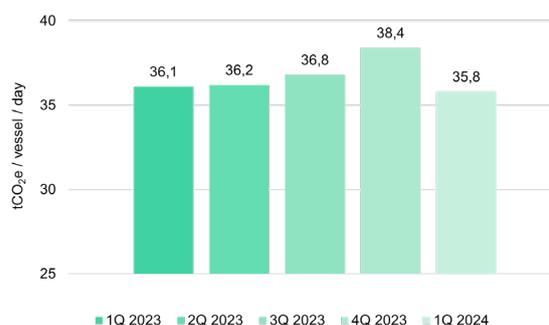
Only 0.5 liters of oil spill were registered during 1Q 2024 (14 liters in 4Q 2023). The spill was related to incidents with hydraulic system on a crane.

### Governance

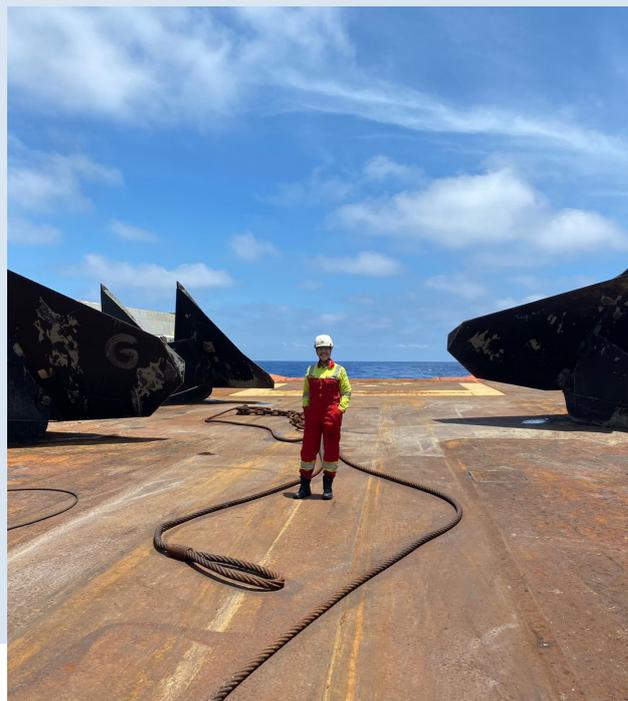
No material governance incidents has been registered during 1Q 2024.

A total of 83 internal and external audits, vettings, class surveys, and port state controls have been completed during 1Q 2023, resulting in only minor findings. This is considerably lower than in the previous quarter mainly related to a reduced number of vessels in the fleet (72 in 4Q vs 38 in 1Q 24).

Average emission per operational day



# Market Outlook



## The outlook for offshore energy activities continue to strengthen.

2024 started with high activity across all segments and geographical regions. At the same time, the first months of a year is normally high season for planned maintenance. This has been the case for Solstad Maritime in particular in 1Q, giving a lower utilization of their fleet.

Bidding activity in 1Q continued at a high level and based on new contracts we have signed and prospects we see, the remainder of the year looks to have high and increasing activity. However, there is always a schedule and cost risk associated with such large energy projects. Project execution are also sensitive to energy prices.

There is a high demand for CSVs from contractors within oil and gas and renewable energy, but also directly from the oil companies. There are several long-term opportunities in the market.

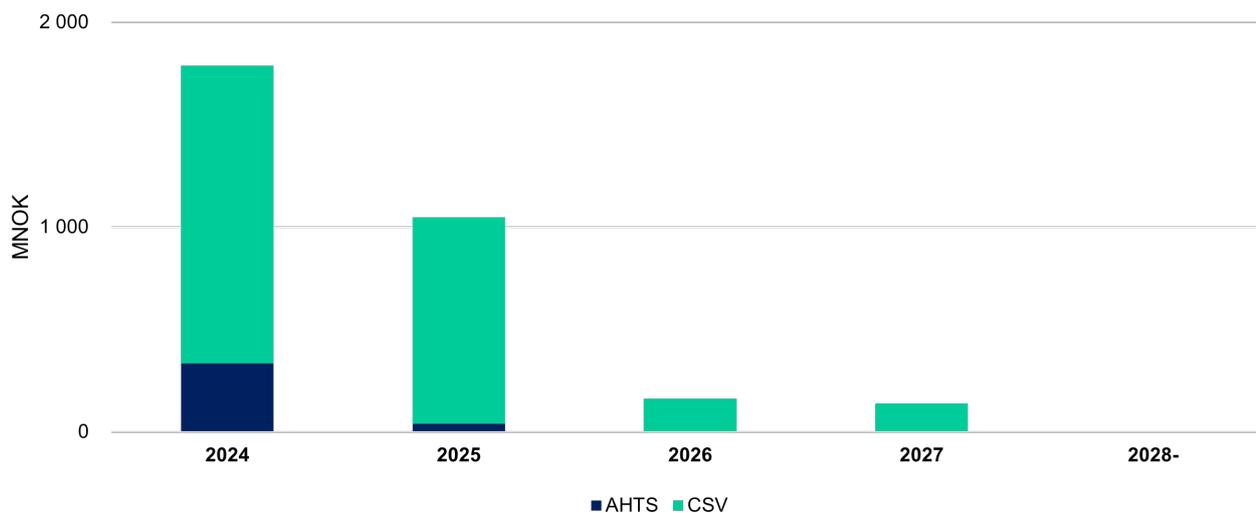
The same goes for the AHTS segment where the project mooring market is active across the Atlantic basin. The projects are mainly within oil and gas but there are also a few floating wind projects, where two of the AHTSs will be engaged at one of the projects for an extended period in 2Q24.

In addition, clients are in the market to secure AHTS capacity on a long-term basis. Especially Petrobras has several tenders in the market for contracts with 2-4 years duration.

The market fundamentals for offshore energy continue to be solid and should give high demand for offshore services going forward.



Backlog by year of execution for Solstad Offshore



## Events Subsequent to the Quarter

### Solstad Offshore

Solstad Offshore has received a payment of MNOK 80 from a legal case related to an early termination of a legacy contract.

### Solstad Maritime

Contract awards from Clients in the offshore energy markets with a combined duration of approx. 600 days (inclusive of mobilization and demobilization) and a gross value of approx. NOK 800 mill across the vessels "Normand Australis", "Normand Baltic", "Normand Sentinel" and "Normand Prosper".



## Statement from the Board of Solstad Offshore ASA

We confirm that the consolidated accounts for the period January 1 to March 31, 2024 are to the best of our knowledge, prepared in accordance with IAS 34. The report and the figures used for the quarterly reporting give a fair and true value of the enterprise and the Company's assets, debts, financial position and result which, in its entirety, gives a true overview of the information in accordance with § 5-6 fourth paragraph of the Securities Trading Act.

Skudeneshavn 15.05.2024

**Harald Espedal**  
Chairman

**Frank O. Reite**  
Director

**Peder Sortland**  
Director

**Ingrid Kylstad**  
Director

**Ellen Solstad**  
Director

**Lars Peder Solstad**  
CEO



## Condensed Statement of Comprehensive Income

| NOK 1,000  | 2024<br>01.01-31.03 | 2023<br>01.01-31.03 | 2023<br>01.01-31.12 | Note  |
|--|---------------------|---------------------|---------------------|-------|
| <b>Continued operations</b>                            |                     |                     |                     |       |
| Operating income                                       | 767,923             | 1,362,576           | 6,978,977           | 3     |
| Vessel operating expenses                              | -409,058            | -749,163            | -3,410,098          |       |
| Administrative expenses                                | -97,505             | -88,189             | -762,330            |       |
| <b>Total operating expenses</b>                        | <b>-506,563</b>     | <b>-837,353</b>     | <b>-4,172,429</b>   | 3     |
| Net gain/-loss on sale of assets                       | 130,649             | 537,121             | 517,567             | 1,5,7 |
| <b>Operating result before depreciations</b>           | <b>392,010</b>      | <b>1,062,345</b>    | <b>3,324,115</b>    | 3,4   |
| Depreciation   | -182,880            | -289,727            | -1,103,275          | 5,6   |
| Impairment   | -                   | 148,085             | -296,983            | 5,6   |
| Income from investments in joint ventures              | 15,797              | -1,197              | 19,935              | 7     |
| <b>Operating result</b>                                | <b>224,926</b>      | <b>919,506</b>      | <b>1,943,792</b>    |       |
| Income from investments in associates                  | 46,198              | -469                | -4,824              | 7     |
| <b>Total other items</b>                               | <b>46,198</b>       | <b>-469</b>         | <b>-4,824</b>       |       |
| Interest income  | 16,336              | 8,338               | 131,283             |       |
| Realised currency gain/-loss                           | -5,106              | 69,175              | 96,474              |       |
| Unrealised currency gain/-loss                         | -68,810             | -281,864            | -128,028            |       |
| Interest charges                                       | -189,973            | -428,813            | -1,672,048          |       |
| Other financial expenses                               | -52,687             | -2,370              | -21,671             | 8     |
| <b>Net financing</b>                                   | <b>-300,240</b>     | <b>-635,534</b>     | <b>-1,593,989</b>   |       |
| <b>Result before taxes</b>                             | <b>-29,115</b>      | <b>283,503</b>      | <b>344,979</b>      |       |
| Taxes on result  | 7,921               | -31,351             | -56,641             |       |
| <b>Net result from continued operations</b>            | <b>-21,194</b>      | <b>252,151</b>      | <b>288,337</b>      |       |
| <b>Discontinued operations</b>                         |                     |                     |                     |       |
| Net result from discontinued operations                | -                   | 37,605              | 118,799             | 1     |
| <b>Net result</b>                                      | <b>-21,194</b>      | <b>289,757</b>      | <b>407,136</b>      |       |
| <b>Other comprehensive income</b>                      |                     |                     |                     |       |
| Exchange differences on translating foreign operations | -123,396            | -312,252            | -353,191            |       |
| Exchange differences on share of associates and JV's   | -17,510             | -4,128              | 4,644               |       |
| Actuarial gain/-loss                                   | -                   | -                   | -1,272              |       |
| <b>Total comprehensive income</b>                      | <b>-162,099</b>     | <b>-26,624</b>      | <b>57,317</b>       |       |



## Condensed Statement of Comprehensive Income cont.

| <b>NOK 1,000</b>  | <b>2024</b><br><b>01.01-31.03</b> | <b>2023</b><br><b>01.01-31.03</b> | <b>2023</b><br><b>01.01-31.12</b> | <b>Note</b> |
|---|-----------------------------------|-----------------------------------|-----------------------------------|-------------|
| <b>Total comprehensive income</b>                         | <b>-162,099</b>                   | <b>-26,624</b>                    | <b>57,317</b>                     |             |
| <b>Result of continued operations attributable to:</b>    |                                   |                                   |                                   |             |
| Non-controlling interests                                 | 2,773                             | 849                               | 3,186                             |             |
| Majority share  | -23,967                           | 251,302                           | 285,152                           |             |
| <b>Result of discontinued operations attributable to:</b> |                                   |                                   |                                   |             |
| Non-controlling interests                                 | 0                                 | -4,392                            | 3,521                             |             |
| Majority share  | 0                                 | 41,997                            | 115,278                           |             |
| Earnings per share  | -0.29                             | 3.79                              | 5.11                              |             |
| <b>Total comprehensive income attributable to:</b>        |                                   |                                   |                                   |             |
| Non-controlling interests                                 | 2,773                             | -3,543                            | 6,707                             |             |
| Majority share  | -164,872                          | -23,081                           | 400,430                           |             |
| Total comprehensive income per share                      | -1.97                             | -0.34                             | 0.73                              |             |
| <b>EBITDA adjusted from continued operations</b>          | <b>247,010</b>                    | <b>459,444</b>                    | <b>2,830,235</b>                  | <b>3,4</b>  |
| Average number of shares (1,000)                          | 82,347                            | 77,308                            | 78,302                            |             |



## Condensed Statement of Financial Position

| NOK 1,000   | 2024<br>31.03    | 2023<br>31.03     | 2023<br>31.12     | Note |
|---|------------------|-------------------|-------------------|------|
| <b>ASSETS</b>   |                  |                   |                   |      |
| Non-current assets:   |                  |                   |                   |      |
| Deferred tax asset  | -                | 4,401             | 2,117             |      |
| Tangible fixed assets   | 1,313,934        | 12,428,369        | 1,315,253         | 5    |
| Right-of-use assets   | 3,167,941        | 3,349,325         | 2,789,345         | 6    |
| Investment in associates and joint ventures                   | 1,888,303        | 161,116           | 189,236           | 7    |
| Loan to associates and joint ventures                         | 66,468           | 58,557            | 63,141            |      |
| Non-current receivables                                       | 42,871           | 75,073            | 32,179            |      |
| <b>Total non-current assets</b>                               | <b>6,479,519</b> | <b>16,076,840</b> | <b>4,391,271</b>  |      |
| Current Assets:   |                  |                   |                   |      |
| Inventory   | 35,874           | 196,265           | 23,095            |      |
| Accounts receivables  | 104,908          | 1,178,000         | 312,428           |      |
| Accounts receivables associates and joint ventures            | 50,132           | -                 | -                 |      |
| Other current receivables                                     | 452,235          | 960,182           | 549,523           |      |
| Market based shares   | -                | 21,000            | -                 |      |
| Deposits, cash, etc   | 691,330          | 2,209,026         | 501,014           | 8    |
| <b>Total current assets</b>                                   | <b>1,334,479</b> | <b>4,564,473</b>  | <b>1,386,060</b>  |      |
| Assets held for sale  | -                | 5,841,736         | 13,858,010        | 2    |
| <b>TOTAL ASSETS</b>   | <b>7,813,998</b> | <b>26,483,048</b> | <b>19,635,341</b> |      |
| <b>EQUITY AND LIABILITIES</b>                                 |                  |                   |                   |      |
| Equity:   |                  |                   |                   |      |
| Paid-in equity  | 271,804          | 257,696           | 271,804           |      |
| Other equity  | 1,373,046        | 1,481,736         | 1,555,427         |      |
| Non-controlling interests                                     | 30,602           | -12,930           | -2,680            |      |
| <b>Total equity</b>   | <b>1,675,452</b> | <b>1,726,502</b>  | <b>1,824,550</b>  |      |
| <b>Liabilities:</b>   |                  |                   |                   |      |
| Non-current provisions  | 17,286           | 24,005            | 6,279             |      |
| Other non-current liabilities                                 | -                | 1,046             | 1,046             |      |
| Loan from associate   | 104,285          | -                 | -                 | 8    |
| Debt to credit institutions                                   | 682,522          | 489,548           | 630,587           | 8    |
| Leasing liabilities   | 3,944,892        | 2,017,760         | 1,795,630         | 6,8  |
| <b>Total long-term debt</b>                                   | <b>4,748,985</b> | <b>2,532,359</b>  | <b>2,433,542</b>  |      |
| <b>Current liabilities:</b>                                   |                  |                   |                   |      |
| Current portion of non-current debt                           | 284,629          | 18,626,963        | 11,380,520        | 8    |
| Current leasing liabilities                                   | 387,725          | 1,959,169         | 1,965,474         | 6,8  |
| Other current liabilities                                     | 717,208          | 1,638,056         | 547,439           |      |
| <b>Total current liabilities</b>                              | <b>1,389,562</b> | <b>22,224,188</b> | <b>13,893,433</b> |      |
| Liabilities directly associated with the assets held for sale | -                | -                 | 1,483,816         | 2    |
| <b>Total liabilities</b>                                      | <b>6,138,546</b> | <b>24,756,547</b> | <b>17,810,791</b> |      |
| <b>TOTAL EQUITY AND LIABILITIES</b>                           | <b>7,813,998</b> | <b>26,483,048</b> | <b>19,635,341</b> |      |



## Statement of Cash Flow

| NOK 1,000                                      | 2024<br>31.03     | 2023<br>31.03     | 2023<br>31.12     | Note |
|--|-------------------|-------------------|-------------------|------|
| <b>CASH FLOW FROM OPERATIONS</b>               |                   |                   |                   |      |
| Result before tax from continued operations    | -29,115           | 283,503           | 344,979           |      |
| Result before tax from discontinued operations | -                 | 38,872            | 121,572           |      |
| Taxes payable                                  | 9,498             | -16,651           | -93,072           |      |
| Ordinary depreciation and write downs          | 182,880           | -169,987          | 838,672           |      |
| Gain (-)/ loss long-term assets                | -192,644          | -535,456          | -526,686          |      |
| Interest income                                | -8,645            | -7,710            | -131,394          |      |
| Interest expense                               | 189,973           | 552,321           | 2,034,452         |      |
| Non-cash refinance effects                     | -1,031            | -590              | -4,392            |      |
| Effect of change in pension assets             | -                 | -106              | -2,427            |      |
| Unrealised currency gain/ -loss                | 56,397            | 505,429           | 156,948           |      |
| Change in current receivables and payables     | 194,239           | 141,619           | -366,472          |      |
| Change in other accruals                       | -131,787          | -143,381          | 303,389           |      |
| <b>Net cash flow from operations</b>           | <b>269,765</b>    | <b>647,863</b>    | <b>2,675,568</b>  |      |
| <b>CASH FLOW FROM INVESTMENTS</b>              |                   |                   |                   |      |
| Cash flow from investments                     |                   |                   |                   |      |
| Investment in tangible fixed assets            | -3,787            | -27,875           | -106,033          |      |
| Payment of periodic maintenance                | -7,086            | -215,272          | -524,289          |      |
| Proceeds sale of fixed assets (vessels)        | -                 | 945,182           | 7,213,025         |      |
| Payment of non-current receivables             | -15,089           | -17,274           | 6,377             |      |
| Received interests                             | 8,645             | 7,710             | 131,394           |      |
| Removal of cash from deconsolidation           | -1,356,791        | -                 | -                 | 1    |
| Investments in other shares/ interests         | 1,465             | -                 | -79,995           |      |
| <b>Net cash flow from investments</b>          | <b>-1,372,643</b> | <b>692,471</b>    | <b>6,640,479</b>  |      |
| <b>CASH FLOW FROM FINANCING</b>                |                   |                   |                   |      |
| Paid-in capital                                | -                 | -                 | 14,108            |      |
| Paid leases                                    | -141,987          | -93,217           | -381,739          |      |
| Paid interests                                 | -50,943           | -324,016          | -1,152,457        |      |
| Proceeds of non-current debt                   | 100,000           | -                 | -                 |      |
| Repayment of non-current debt                  | -8,236            | -903,618          | -8,146,167        |      |
| <b>Net cash flow from financing</b>            | <b>-101,166</b>   | <b>-1,320,851</b> | <b>-9,666,255</b> |      |
| Effect of changes in foreign exchange rates    | 12,413            | 19,470            | 63,097            |      |
| Net change in cash                             | -1,204,044        | 19,484            | -350,208          |      |
| Cash at 01.01                                  | 1,882,961         | 2,170,072         | 2,170,072         |      |
| <b>Cash at balance sheet date</b>              | <b>691,330</b>    | <b>2,209,026</b>  | <b>1,882,961</b>  |      |



## Statement of Changes in Equity

| NOK 1,000                         | Share capital | Treasury shares | Share premium  | Other paid-in capital | Other changes   | Other equity     | Total majority shares | Non-controlling interests | Total equity     |
|-----------------------------------|---------------|-----------------|----------------|-----------------------|-----------------|------------------|-----------------------|---------------------------|------------------|
| <b>Equity 01.01.2024</b>          | <b>82,347</b> | -               | <b>189,457</b> | -                     | <b>379,598</b>  | <b>1,175,829</b> | <b>1,827,231</b>      | <b>-2,680</b>             | <b>1,824,550</b> |
| Result                            | -             | -               | -              | -                     | -               | -23,967          | -23,967               | 2,773                     | -21,194          |
| Actuarial gain/loss(-)            | -             | -               | -              | -                     | -               | -                | -                     | -                         | -                |
| Translation adjustments           | -             | -               | -              | -                     | -158,415        | -                | -158,415              | -                         | -158,415         |
| <b>Other comprehensive income</b> | -             | -               | -              | -                     | <b>-158,415</b> | <b>-23,967</b>   | <b>-182,382</b>       | <b>2,773</b>              | <b>-179,609</b>  |
| Deconsolidation Solstad Maritime  | -             | -               | -              | -                     | -               | -                | -                     | 30,510                    | 30,510           |
| <b>Equity 31.03.2024</b>          | <b>82,347</b> | -               | <b>189,457</b> | -                     | <b>221,183</b>  | <b>1,151,862</b> | <b>1,644,849</b>      | <b>30,602</b>             | <b>1,675,452</b> |
| <b>Equity 01.01.2023</b>          | <b>77,309</b> | -               | <b>180,387</b> | -                     | <b>728,145</b>  | <b>776,672</b>   | <b>1,762,512</b>      | <b>-9,387</b>             | <b>1,753,125</b> |
| Result                            | -             | -               | -              | -                     | -               | 293,300          | 293,300               | -3,543                    | 289,757          |
| Actuarial gain/loss(-)            | -             | -               | -              | -                     | -               | -                | -                     | -                         | -                |
| Translation adjustments           | -             | -               | -              | -                     | -316,380        | -                | -316,380              | -                         | -316,380         |
| <b>Other comprehensive income</b> | -             | -               | -              | -                     | <b>-316,380</b> | <b>293,300</b>   | <b>-23,080</b>        | <b>-3,543</b>             | <b>-26,623</b>   |
| <b>Equity 31.03.2023</b>          | <b>77,309</b> | -               | <b>180,387</b> | -                     | <b>411,765</b>  | <b>1,069,972</b> | <b>1,739,432</b>      | <b>-12,930</b>            | <b>1,726,502</b> |
| <b>Equity 01.01.2023</b>          | <b>77,309</b> | -               | <b>180,387</b> | -                     | <b>728,145</b>  | <b>776,672</b>   | <b>1,762,512</b>      | <b>-9,387</b>             | <b>1,753,125</b> |
| Result                            | -             | -               | -              | -                     | -               | 400,430          | 400,430               | 6,707                     | 407,136          |
| Actuarial gain/loss(-)            | -             | -               | -              | -                     | -               | -1,272           | -1,272                | -                         | -1,272           |
| Translation adjustments           | -             | -               | -              | -                     | -348,547        | -                | -348,547              | -                         | -348,547         |
| <b>Other comprehensive income</b> | -             | -               | -              | -                     | <b>-348,547</b> | <b>399,157</b>   | <b>50,610</b>         | <b>6,707</b>              | <b>57,317</b>    |
| Share capital private placement   | 5,038         | -               | 9,070          | -                     | -               | -                | 14,108                | -                         | 14,108           |
| <b>Equity 31.12.2023</b>          | <b>82,347</b> | -               | <b>189,457</b> | -                     | <b>379,598</b>  | <b>1,175,829</b> | <b>1,827,231</b>      | <b>-2,680</b>             | <b>1,824,550</b> |



# Notes

## Notes to condensed statement of comprehensive income and statement of financial position

### Note 1: General

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Solstad Offshore ASA's (The Company. OSE ticker: SOFF) head office is in Skudeneshavn, Norway. The Company's main activities are operation and ownership of offshore service and construction vessels. The Company is listed on Oslo Stock Exchange.

This consolidated interim financial report has been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. The consolidated interim financial reporting should be read in conjunction with the annual financial statements for the year ended 31 December 2023 for Solstad Offshore ASA Group (the Company), which have been prepared in accordance with IFRS® Accounting Standards as adopted by the EU.

The accounting policies implemented are consistent with those of the annual financial statements for the group for the year ended 31 December 2023.

#### Going Concern

The interim accounts are prepared on the assumption of a going concern. The going concern assumption is based on the level of cash and cash equivalents and equity at reporting date, terms and conditions of the Refinancing agreement with banking and borrowing facilities, the forecasted cash flow prognosis for the Company and the backlog position as of 31 March 2024. The main portion of the Group's external debt which includes the Group's secured debt, and the residual claim of approx. MNOK 1,912 guaranteed by the Company related to the former Normand Maximus lease arrangement, matures in 2027.

#### Significant Judgements, Accounting Estimates and Assessments

##### Divestments of PSVs

The Group decided during 2023 to sell 37 PSV vessels to Tidewater Inc. An assessment regarding classification as discontinued operation was also performed. The Company concluded that the PSVs represented a component of the entity that could be clearly distinguished from the rest of the Company, both operationally and for financial reporting purposes. The component also represented a separate major line of business and should be presented as discontinued operations. The sale of activity to Tidewater Inc that was closed on 5 July 2023.

##### The Refinancing and Loss of Control

With reference to the agreement signed 23 October 2023 (Reference to Note 1 Going concern and Company Refinancing), Solstad Maritime Holding AS, which was initially set up as a subgroup in Solstad Offshore, has received equity contribution from Aker and AMSC. The impact of the equity contribution was that Solstad Offshore effectively lost control of Solstad Maritime Holding AS, and retained a 31.6% stake in the associated company Solstad Maritime, which is now recognised using the equity method. The ownership share will be reduced to 27% following the equity contribution from Solstad



Offshore ASA's shareholders, (which is fully guaranteed by Aker), expected to be completed in 2Q 2024. Solstad Offshore ASA has derecognized Solstad Maritime as of transaction date 16 January 2024, and has recognized an investment in associate at the same time.

Solstad Offshore ASA's share in Solstad Maritime was assessed to have a fair value less cost to sell of NOK 1.620 million, which was recognized in 1Q 2024 as the carrying value of the associate on 16 January 2024. A net gain of MNOK 131 has been recognized, mainly related to foreign exchange movement and accounting impacts from repayment of secured debt before maturity date. Reference to Company Refinancing and Annual Report 2023.

Solstad Maritime currently has four vessels on bareboat charters to Solstad Offshore ASA. Solstad Offshore ASA has assessed if there should be recognized an impact in terms of IFRS 16 as a sale-leaseback transaction. There is little guidance on derecognition of subsidiaries and subsequent recognition of leasing transaction in IFRS. Solstad Offshore ASA has assessed and concluded to not recognize any sale-leaseback accounting and established a principle to use IFRS 10.25 (derecognition/sale of subsidiary) for these types of transactions. The leases has been recognized as a new lease as of transaction date for those vessels that are not short-term leases (lease term of 12 months or less at the commencement date) in accordance with IFRS 16.



## Note 2: Assets Held for Sale

As of 31 March 2024 no assets are classified as held for sale. Asset held for sale as of 31 December 2023 was assets and liabilities related to Solstad Maritime, which was deconsolidated as of 16 January 2024.

|  | 2024<br>31.03 | 2023<br>31.12     |
|--|---------------|-------------------|
| <b>Specification of Assets Held for Sale as of 31 December 2023:</b>                             |               |                   |
| <b>ASSETS</b>  |               |                   |
| <b>Fixed Assets:</b>   |               |                   |
| Deferred tax assets  | -             | 4,000             |
| Tangible fixed assets  | -             | 10,417,632        |
| Right-of-use assets  | -             | 116,724           |
| Investments in associates and joint ventures   | -             | 45,897            |
| Other non-current receivables  | -             | 11,669            |
| <b>Total non-current assets</b>  | -             | <b>10,595,921</b> |
| <b>Current Assets:</b>   |               |                   |
| Stocks   | -             | 77,730            |
| Accounts receivables   | -             | 1,193,804         |
| Other receivables  | -             | 586,098           |
| Market based shares  | -             | 22,500            |
| Deposits, cash, etc  | -             | 1,381,956         |
| <b>Total current assets</b>  | -             | <b>3,262,089</b>  |
| <b>TOTAL ASSETS CLASSIFIED AS HELD FOR SALE</b>  | -             | <b>13,858,010</b> |
| <b>LIABILITIES</b>   |               |                   |
| <b>Non-current liabilities:</b>  |               |                   |
| Non-current provisions   | -             | 17,246            |
| Debt to credit institutions  | -             | -                 |
| Leasing liabilities  | -             | 100,513           |
| <b>Total non-current debt</b>  | -             | <b>117,759</b>    |
| <b>Current liabilities:</b>  |               |                   |
| Current leasing liabilities  | -             | 22,059            |
| Other current liabilities  | -             | 1,343,998         |
| <b>Total current liabilities</b>   | -             | <b>1,366,058</b>  |
| <b>TOTAL LIABILITIES CLASSIFIED AS LIABILITIES DIRECTLY ASSOCIATED WITH ASSETS HELD FOR SALE</b> | -             | <b>1,483,816</b>  |



## Note 3: Reporting per Segment

Internally the Company reports and monitors its operation in the following segments:

- AHTS: Anchorhandling vessels
- Subsea: Construction vessels operating subsea construction contracts
- Services: Additional services across vessel spreads, i.e. ROVs, tooling, project personnel, engineering support.
- Other: Other income and costs not allocated to the three segments
- All income is classified as Renewable or Oil & gas. Renewable income is in accordance with the EU taxonomy. Costs are allocated based on income. 2023 Renewable numbers are restated to reflect this.

|  | 1Q 2024       |                |                | 1Q 2023        |                |                |
|--|---------------|----------------|----------------|----------------|----------------|----------------|
|  | Renewable     | Oil & Gas      | Total          | Renewable      | Oil & Gas      | Total          |
| <b>AHTS</b>                                  |               |                |                |                |                |                |
| Total operation income                       | -             | 132,052        | 132,052        | -              | 434,249        | 434,249        |
| Total operating expenses                     | -             | -112,141       | -112,141       | -              | -268,512       | -268,512       |
| Gain/-loss on sale of assets                 | -             | -              | -              | -              | 29,743         | 29,743         |
| <b>Operating result before depreciations</b> | -             | <b>19,911</b>  | <b>19,911</b>  | -              | <b>195,480</b> | <b>195,480</b> |
| Adjustments                                  | -             | 19,659         | 19,659         | -              | -23,551        | -23,551        |
| <b>EBITDA adjusted</b>                       | -             | <b>39,570</b>  | <b>39,570</b>  | -              | <b>171,930</b> | <b>171,930</b> |
| <b>CSV</b>                                   |               |                |                |                |                |                |
| Total operation income                       | 112,047       | 419,888        | 531,935        | 303,261        | 625,065        | 928,326        |
| Total operating expenses                     | -84,293       | -223,506       | -307,799       | -168,001       | -400,840       | -568,841       |
| Gain/-loss on sale of assets                 | -             | -              | -              | -              | 507,378        | 507,378        |
| <b>Operating result before depreciations</b> | <b>27,754</b> | <b>196,383</b> | <b>224,137</b> | <b>135,260</b> | <b>731,603</b> | <b>866,863</b> |
| Adjustments                                  | 20,009        | -53,740        | -33,731        | 6,600          | -585,949       | -579,349       |
| <b>EBITDA adjusted</b>                       | <b>47,763</b> | <b>142,643</b> | <b>190,406</b> | <b>141,861</b> | <b>145,654</b> | <b>287,515</b> |
| <b>Services</b>                              |               |                |                |                |                |                |
| Total operation income                       | 28,977        | 30,524         | 59,501         | -              | -              | -              |
| Total operating expenses                     | -20,840       | -26,239        | -47,078        | -              | -              | -              |
| Gain/-loss on sale of assets                 | -             | -              | -              | -              | -              | -              |
| <b>Operating result before depreciations</b> | <b>8,137</b>  | <b>4,285</b>   | <b>12,422</b>  | -              | -              | -              |
| Adjustments                                  | 1,618         | -1,896         | -279           | -              | -              | -              |
| <b>EBITDA adjusted</b>                       | <b>9,755</b>  | <b>2,389</b>   | <b>12,144</b>  | -              | -              | -              |
| <b>Other</b>                                 |               |                |                |                |                |                |
| Total operation income                       | -             | 44,436         | 44,436         | -              | -              | -              |
| Total operating expenses                     | -             | -39,545        | -39,545        | -              | -              | -              |
| Gain/-loss on sale of assets                 | -             | 130,649        | 130,649        | -              | -              | -              |
| <b>Operating result before depreciations</b> | -             | <b>135,540</b> | <b>135,540</b> | -              | -              | -              |
| Adjustments                                  | -             | -130,649       | -130,649       | -              | -              | -              |
| <b>EBITDA adjusted</b>                       | -             | <b>4,891</b>   | <b>4,891</b>   | -              | -              | -              |



## Note 4: EBITDA from Continued Operations

|  | 2024<br>01.01-31.03* | 2023<br>01.01-31.03 | 2023<br>01.01-31.12 |
|--|----------------------|---------------------|---------------------|
| <b>Total operating income</b>                    | <b>767,923</b>       | <b>1,362,576</b>    | <b>6,978,977</b>    |
| <b>Total operating expenses</b>                  | <b>-506,563</b>      | <b>-837,353</b>     | <b>-4,172,429</b>   |
| Net gain/-loss on sale of assets                 | 130,649              | 537,121             | 517,567             |
| <b>EBITDA</b>                                    | <b>392,010</b>       | <b>1,062,345</b>    | <b>3,324,115</b>    |
| IFRS-16 leases                                   | -137,879             | -93,217             | -395,244            |
| Restructuring cost /other non-recurring events   | 61,779               | 13,882              | 72,276              |
| Net gain/-loss on sale of assets                 | -130,649             | -537,121            | -517,567            |
| Net result from Joint Venture                    | 15,797               | -1,197              | 19,935              |
| Net result from associates                       | 46,198               | -469                | -4,824              |
| Accrual loss accounts receivable                 | -246                 | 15,221              | 19,427              |
| VAT adjustment                                   | -                    | -                   | 312,118             |
| <b>EBITDA adjusted from continued operations</b> | <b>247,010</b>       | <b>459,444</b>      | <b>2,830,235</b>    |

\*Solstad Maritime is included as continued operations until 16 January 2024

## Note 5: Fixed Assets

|                                   | Vessels          | Periodic maintenance | Other         | Total            |
|-----------------------------------|------------------|----------------------|---------------|------------------|
| <b>Opening balance 01.01.2024</b> | <b>1,180,806</b> | <b>116,737</b>       | <b>17,709</b> | <b>1,315,253</b> |
| Additions                         | 3,551            | -253                 | -             | 3,298            |
| Asset held for sale               | -                | -                    | -             | -                |
| Disposals                         | -                | -                    | -             | -                |
| Translation adjustment            | 18,120           | 3,103                | 292           | 21,515           |
| Depreciation                      | -14,337          | -11,221              | -574          | -26,132          |
| Impairment                        | -                | -                    | -             | -                |
| <b>Closing balance 31.03.2024</b> | <b>1,188,141</b> | <b>108,366</b>       | <b>17,427</b> | <b>1,313,934</b> |

Vessels are depreciated over 20 years to a residual value equal to 50% of the original cost. Initially, residual value is set to 50% of cost price, expected cost of sale deducted, and adjusted for age and changes in broker valuations. The assumption is that the broker values decline by 2.5% per year until the vessel is 20 years old. Other assets are depreciated at rates of 3-10 years.



As of 31 March 2024 no assets are classified as held for sale. Solstad Maritime was classified as held for sale as of 31 December 2023, but was deconsolidated as of 16 January 2024.

A net gain of MNOK 131 has been booked to Net gain/-loss sale of assets in 1Q 2024 related to the deconsolidation of Solstad Maritime.

| <b>Specification of changes in Assets held for sale for tangible fixed assets:</b> | <b>Total</b> |
|--|--------------|
| Opening balance 01.01.2024   | 10,417,631   |
| Additions  | -            |
| Deconsolidation  | -10,417,631  |
| <b>Closing balance 31.03.2024</b>  | <b>-</b>     |

## Impairment Testing of Vessels

### Summary

The Company has performed impairment testing of the fleet (vessels owned and Right-of-use vessels) in accordance with IAS 36. Indicators such as movement in market, volatility of exchange rates and increase in market interest rates form, according to IAS 36, the need for re-evaluation of the Company's assets.

Based on value-in-use-calculations the Company has not recognized impairment or reversal of impairment in 1Q 2024.

### Impairment Testing

Impairment testing (value-in-use-calculation) was performed for all vessels. Each vessel is considered a separate cash generating unit. The value-in-use-calculations are based on budget and the long-term forecast. For a majority of the vessels, value-in-use was the basis for the recoverable amount. Broker values are considered when determining the recoverable amounts as part of the impairment assessment, where the average broker value based on three acknowledged independent brokers is used as a basis.

The main assumptions used in the computations are charter rates, utilization, escalation of expenses, operational area and weighted average cost of capital (WACC).

### Discounting Rate

The discounting rate is based on a weighted average of capital cost (WACC) for the Company. The cost of equity is derived from the 10-year interest rate for state bonds (risk-free interest rate), market risk premium and an unlevered beta (Damodaran for Western Europe). The debt element of the discounting rate is based on the risk-free interest rate, plus a premium equivalent to the difference between risk-free rate and market rates. The discounting rate used as of 1Q 2024 is 11.5%.

### Operating Income Assumptions

For vessels having firm contracts, operating income is based on the current contracts. For vessels without firm contracts, and for vessels where the firm contract expires during the prognosis period, operating income is based on expected utilization and charter dayrates over the prognosis period. Dayrates are expected to gradually increase over the prognosis period. Market uncertainty is reflected in the assumptions, based on managements assessment and market analysis provided from independent third parties.

### Inflation

Inflation used in the prognosis period is based on expectations for the geographical regions the company operates.

### Residual Values

Estimated residual values used in the value-in-use calculations are set using the same principle as for the ordinary



depreciations. Initially the value is set to 50 percent of cost price, less transaction cost of sale, and adjusted according to changes in broker valuations. The assumption is that the broker value decline by 2.5% per year, until the vessel is 20 years old. It is assumed that the vessels are disposed after 20 years in operations. Average age of the core fleet is 14 years, with respectively 10 years average for the CSV vessels and 18 years for the AHTS vessels.

### **Climate-Related Matters**

The Company constantly monitors the latest regulatory changes in relation to climate-related matters. Regulatory changes in climate requirements may impact future cash inflows for the Company. It is however not expected to have any significant effect on the Groups opex, as higher fuel prices due to CO2 levies or the cost of green fuels will for the most part be recharged to our clients. Based on the management's judgements as of 31 December 2023 no material effects are identified for the prognosis period.

Changes in environmental requirements may impact the residual value and economical lifetime in the future. To effectively meet short-term sustainability goals, implementing measures to enhance operational energy efficiency stands out as the optimal solution for curbing emissions. Transitioning to green technologies, battery hybrid and/or shore power upgrade proves currently to be the most advantageous. It is expected that certain charterers will demand green investments in vessels for future contracts in the medium term (2-5 years), but this is expected to be supported by increased charter rates as well. The forecasts for the vessels do not include any green investments as of 31 December 2023.

Long-term sustainability goals require newbuild programs and new technology to be in place. There are currently limited newbuild programs, but certain green technology has become available. It is assessed unlikely that significant additional capacity will be added in the market in short term. Rebuilding existing vessels to decarbonize and building new low-emission vessels come at an increased financial cost. We need support from our clients including long-term commitments to install new green technology for us and them to reach future emission reduction targets.

The Company's vessels are high-end, large offshore vessels, and an increasingly worsened climate and weather are not expected to affect the usability of the existing fleet.

Based on this, the Company assesses that residual values and economic lifetime of existing vessels are not materially reduced in today's market. This could however change in the future. The Company will adjust the key assumptions used in value-in-use calculations and sensitivities to relevant parameters should changes occur



## Note 6: Right-of-use Assets

|                                   | Right-of-use     |               |               | Total            | Lease liabilities |
|-----------------------------------|------------------|---------------|---------------|------------------|-------------------|
|                                   | Vessels          | Equipment     | Office        |                  |                   |
| <b>Opening balance 01.01.2024</b> | <b>2,669,030</b> | -             | <b>90,317</b> | <b>2,789,346</b> | <b>3,761,103</b>  |
| Other adjustments                 | -3,565           | -             | 7,562         | 3,998            | 3,998             |
| Additions                         | 286,101          | 66,299        | 5,004         | 357,404          | 357,404           |
| Disposals                         | -                | -             | -             | -                | -                 |
| Translation adjustment            | 171,084          | 4,202         | -             | 175,286          | 244,403           |
| Depreciation                      | -150,714         | -3,525        | -3,853        | -158,092         | -                 |
| Impairment                        | -                | -             | -             | -                | -                 |
| Interest expense                  | -                | -             | -             | -                | 103,588           |
| Lease payments                    | -                | -             | -             | -                | -137,879          |
| <b>Closing balance 31.03.2024</b> | <b>3,001,936</b> | <b>66,977</b> | <b>99,029</b> | <b>3,167,941</b> | <b>4,332,617</b>  |

Additions of MNOK 286 on Vessels are bareboat contracts between Solstad Maritime and the Company for vessels operating in Brazil, with a remaining lease term of more than 12 months from commencement date of 16 January 2024. Additions of MNOK 66 on Equipment is related to 2 ROVs on Normand Maximus from joint venture Omega Subsea Robotics.

### Impairment Testing of Right-of-use Assets

Based on value-in-use calculations the Company has not recognized any impairment on Right-of-use assets in 1Q 2024. Further reference is made to Note 5 Fixed Assets.

### Lease obligations

Lease liability of MNOK 4,333 includes Normand Maximus leasing obligation of MNOK 1,953 and residual claim of MNOK 1,912. The residual claim finally matures on 16 January 2027. Refer to Company Refinancing for further details.



## Note 7: Investment in Associated Companies and Joint Ventures

The Company had the following shares in joint ventures (JV) and associates (AC) at balance sheet date:

| AC                        | JV                           |
|---------------------------|------------------------------|
| Solstad Maritime (31.6 %) | Normand Installer SA (50 %)  |
|                           | Omega Subsea Robotics (50 %) |

|                              | AC               | JV             | Total            |
|------------------------------|------------------|----------------|------------------|
| <b>Opening Balance</b>       | <b>581</b>       | <b>188,655</b> | <b>189,236</b>   |
| Share of result year to date | 46,198           | 15,797         | 61,995           |
| Additions                    | 1,619,727        | -              | 1,619,727        |
| Disposals/deconsolidated     | -164             | -              | -164             |
| Impairment                   | -                | -              | -                |
| Other adjustments            | 10,556           | 6,954          | 17,510           |
| <b>Closing Balance</b>       | <b>1,676,898</b> | <b>211,405</b> | <b>1,888,303</b> |

Other adjustments includes currency effects. Addition of MNOK 1,620 is related to Solstad Maritime. Disposal of TNOK 164 is related to the sale of Windstaller Alliance to Solstad Maritime on 15 January 2024. Assets held for sale as of 31 December 2023, including Solstad Offshore Crewing Services Philippines and Remota Holding, was deconsolidated from the Company on 16 January 2024 together with the shares in Windstaller Alliance. Refer to note 1 and 2.

### Deconsolidation effects Solstad Maritime

|   |                |
|---|----------------|
| Fair value of Solstad Maritime  | 1,619,727      |
| Derecognition book value of net assets related to Solstad Maritime                | -1,519,588     |
| Derecognition book value of non-controlling interests related to Solstad Maritime | 30,510         |
| <b>Net gain from deconsolidation of Solstad Maritime</b>                          | <b>130,649</b> |

| Solstad Maritime           | Total            |
|----------------------------|------------------|
| Cost price 01.01.24        | -                |
| Acc result and adjustments | -                |
| Book value 01.01.24        | -                |
| Addition                   | 1,619,727        |
| Share of result            | 46,198           |
| Other adjustments          | 10,556           |
| <b>Book value 31.03.24</b> | <b>1,676,481</b> |



| <b>Solstad Maritime</b>                         | <b>Total</b>     |
|---|------------------|
| <b>Balance sheet 31.03.24:</b>                  |                  |
| Current assets                                  | 3,545,330        |
| Non-current assets                              | 13,040,660       |
| Current liabilities                             | -3,095,337       |
| Non-current financial liabilities               | -8,195,917       |
| <b>Net assets / Equity</b>                      | <b>5,294,737</b> |
| <b>Revenues and profit 01.01.24 - 31.03.24:</b> |                  |
| Revenues  | 1,228,644        |
| Net gain/-loss on sale of assets                | 78,735           |
| Operating expense                               | -775,661         |
| <b>Operating result before depreciations</b>    | <b>693,598</b>   |
| Financial income/-expense                       | -424,653         |
| Result before tax                               | 107,066          |
| Taxes   | 20,655           |
| <b>Result</b>                                   | <b>127,720</b>   |
| <b>EBITDA adjusted</b>                          | <b>668,064</b>   |
| <b>Cash flow 01.01.24 - 31.03.24:</b>           |                  |
| Net cash from operations                        | 494,468          |
| Net cash flow from investments                  | 79,112           |
| Net cash flow from financing                    | -658,416         |
| <b>Net change in cash and cash equivalents</b>  | <b>-84,836</b>   |



## Note 8: Interest-bearing Debt

The reinstated debt to credit institutions from October 2020 was recognized at its fair value in 2020. When the fleet loan in Solstad Shipholding was repaid on 16 January 2024 the remaining of the balance was booked with MNOK 44 as Other financial expenses and MNOK 32 as Interest charges.

|   |                   |
|---|-------------------|
| <b>Initial recognition 20.10.2020</b>   | <b>-1,066,639</b> |
| <b>Fair value adjustment 01.01.2023</b> | <b>-77,350</b>    |
| Amortization YTD 1Q 2024 (*)            | 76,813            |
| Unrealized currency loss                | 538               |
| <b>Fair value adjustment 31.03.2024</b> | <b>-</b>          |

|  | <b>2024</b>      | <b>2023</b>       |
|--|------------------|-------------------|
|  | <b>31.03</b>     | <b>31.12</b>      |
| Long term debt                         | 4,727,414        | 2,526,729         |
| Current portion of long term debt      | 672,354          | 13,368,052        |
| Fair Value adjustment                  | -                | 77,350            |
| Balance booked finance cost            | -                | 7,022             |
| <b>Total interest bearing debt (*)</b> | <b>5,399,767</b> | <b>15,979,154</b> |
| Bank deposit                           | 691,330          | 1,882,961         |
| <b>Net interest bearing debt (**)</b>  | <b>4,708,438</b> | <b>14,096,193</b> |

*\*Inclusive recognized debt relating to IFRS 16 Leases*

*\*\* The Net interest bearing debt includes debt- and cash-amounts recognized as Held for sale as of 31 December 2023.*

Long term debt, denominated in NOK, is divided by 26 percent NOK and 74 percent USD. At the end of 1Q 2024, fixed interest agreement loans were entered into for around 74 percent of interest-bearing debt.

We refer to Note 1 and Company Refinancing on page 15 for further details.

## Note 9: Subsequent Events

Solstad Offshore has received a payment of MNOK 80 from a legal case related to an early termination of a legacy contract.



## Note 10: Alternative Performance Measurement Definitions

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Solstad Offshore ASA has included the below Alternative Performance Measures (APM), which are commonly used in the business, as they are used internally by management to understand Solstad's financial performance. Hence, it is deemed that the APM's also will provide useful information to the reader.

### **Operating margin**

Operating result before depreciation in percentages of total operating income

### **EBITDA**

Operating result before depreciation.

### **EBITDA adjusted**

Operating result before depreciation and impairment adjusted for Joint Ventures, Associated Companies, Net gain/-loss on sale of assets, IFRS-16 leases and other non-recurring items.

### **Adjusted Operating result before depreciations**

Operating result before depreciation adjusted excess values charter parties from mergers and result from Joint Ventures

### **Earning on equity**

Result before tax, in percentage of average equity, including minority interests

### **Earning on capital employed**

Operating result plus interest income and result from associated company divided by average book shareholders' equity and interest-bearing debt

### **Current ratio**

Current assets divided by current liabilities

### **Equity ratio**

Booked equity including minority interests in percentage of total assets

### **Earnings per share**

Result for the period for the Company is divided by weighted average number of shares at the end of the reporting period, adjusted for treasury shares

### **Comprehensive income per share**

Comprehensive income for the period for Solstad divided by weighted average number of shares at the end of the reporting period, adjusted for treasury shares

### **Equity per share**

Shareholders' equity divided by outstanding number of shares at the end of the reporting period

### **Working capital**

Current assets less current liabilities, including current interest bearing liabilities

### **Interest-bearing debt**

Current and long-term interest-bearing liabilities, adjusted for fair value and balance booked finance cost

### **Net interest-bearing debt**

Interest-bearing liabilities less cash and bank deposits

### **Adjusted net interest-bearing debt**

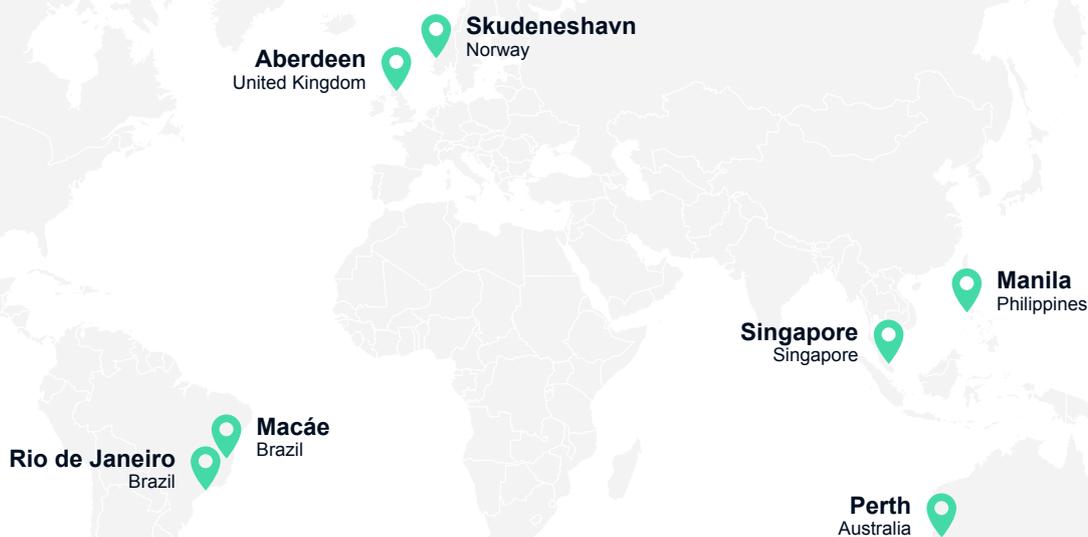
Interest-bearing liabilities less cash and bank deposits adjusted for IFRS-16 leases

### **B2B**

Book to bill, backlog less billed in period



# Our global footprint



## SOLSTAD OFFSHORE

### SOUTH AMERICA

Brazil & Argentina

**3 AHTS | 1 CSV**

Oil & Gas

### EUROPE

**0 AHTS | 2 CSV**

Oil & Gas

### AFRICA

**0 AHTS | 2 CSV**

Oil & Gas

### TOTAL

**3 AHTS | 5 CSV**

## SOLSTAD MARITIME

### SOUTH AMERICA

Brazil & Argentina

**1 AHTS | 7 CSV**

Oil & Gas, Renewable Energy

### EUROPE

**5 AHTS | 11 CSV**

Oil & Gas, Renewable Energy

### AFRICA

**0 AHTS | 1 CSV**

Oil & Gas

### ASIA PACIFIC

Asia & Australia

**4 AHTS | 3 CSV**

Oil & Gas, Renewable Energy

### TOTAL

**10 AHTS | 22 CSV**



**SOLSTAD OFFSHORE**