

STANDARD SUPPLY AS

ANNUAL REPORT
2023



STANDARD**SUPPLY**

CONTENTS

LETTER TO THE SHAREHOLDERS

HIGHLIGHTS 2023-2024

BOARD OF DIRECTORS' REPORT

CONSOLIDATED INCOME STATEMENT

CONSOLIDATED BALANCE SHEET

CONSOLIDATED CASH FLOW STATEMENT

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

Letter to the shareholders

Our main ambition with Standard Supply were to proactively seek growth opportunities within the Platform Supply Vessel (PSV) industry. Throughout 2022, we acquired two vessels at a significant discount to replacement costs, with payback periods projected at a brief two to three years.

The company were always intended to be an asset play with an opportunistic approach towards the market. Throughout 2023 we experienced a robust recovery in the market with improving charter rates and rising asset values. The company therefore elected to sell eight of the nine vessels in the fleet during the course of the year with a c. 50% gain compared to book value at time of sale. The ninth vessel, the Standard Supplier, remains on hire with BP UK to June 2024 at a rate of c. USD 23,500 per day.

Including the NOK 2.75 dividend in the fourth quarter, shareholders has received NOK 4.2 per share in dividends, or the vast majority of the NOK 4.46/sh IPO price. The company has remaining values of approximately NOK 2.5/sh, split c. 50/50 between cash and fair market value of the Standard Supplier.

Martin Nes
Chairman of the Board

Highlights 2023-2024



Key Financials

<i>(Amounts in USD 000)</i>	2023	2022
Operating income, adjusted*	39 440	22 430
EBITDA	15 156	6 454
Net profit	41 603	1 811

*Excluding net gain on sale of vessels 33.9m in 2023

Highlights 2023

- The Group reported EBITDA of USD 15.2 million and net profit of USD 41.6 million in 2023.
- Achieved average time charter equivalent earnings of approximately USD 14,100 per day.
- Consolidated cash at year end of USD 89.5 million.

Fleet overview

Vessels	Built	Deck (m2)	Employment	Dayrate*	Firm end	Option end
Standard Supplier	2007	1 060	TC	23,500	June.24	Nov.24

*Note contracts converted to USD utilizing current GBP/ EURO conversions.

Board of Directors' report

Standard Supply AS is a Norwegian investment company, located at Skøyen in Oslo. The Company was established on March 1st, 2022, and became the new parent company for the Standard Supply AS Group on 9 June 2022 when SD Standard ETC Plc. transferred all its shares in Wanax AS to Standard Supply AS as a contribution in kind. Standard Supply AS Group consists in addition to the parent company of four wholly owned subsidiaries, one subsidiary owned 51 % and one owned 90 % as of December 31st, 2023.

The Group sold eight of its vessels during 2023 and as of December 31st, 2023, the Group own one vessel. All of the vessels sold in 2023 have been delivered to its new owners in 2023.

The Group have conducted its business through active investments, investments in vessels and other investments. The object of the Group has been to acquire and operate offshore supply vessels (PSV) with best possible results for its owners, in addition to other business related to shipping. The current fleet consist of the large size PSV Standard Supplier.

Standard Supply still focus on active ownership, common conception of objectives between the owners, the Board of Directors and the management, as well as growth, efficient operations and an optimal financial structure in the subsidiaries.

Financial results

The parent Company, Standard Supply AS, reports a net result of the year of USD 13.6m (USD -0.2m in 2022). Total equity and total assets as of December 31st, 2023, is USD 73.9m (USD 85.3m in 2022) and USD 74.2m (USD 85.5m in 2022) accordingly.

The Group reports a total operating income of USD 73.3m (USD 22.4m in 2022). USD 33.9m were related to net gain on sale of eight vessels and USD 9.6m were related to Standard Duke and Standard Defender in 2023 which had limited operating revenues in 2022 (USD 1m) as these vessels were operational only from Q4 2022. Northern Supply were consolidated from June 21, 2022, and operating revenue in 2023 were USD 19.9m compared to USD 12.4m for 2022. Revenues from Northern Supply for the first half of 2023 were USD 9.4m above first half of 2022 given the time of consolidation and revenues for second half of 2023 are USD 1.8m below second half of 2022 given the sale of FS Balmoral in early October 2023. Operating revenues from Standard Viking and Standard Supplier has increased with USD 0.9m in 2023 compared to 2022 given increased day rates although negatively affected by Standard Supplier being off-hire due to repair from late October 2023.

The Group reports a total operating expense of USD 31.9m (USD 20.7m for 2022), and it consists of ship operating expenses of USD 22.5m, depreciations of USD 7.6m, as well as other expenses of USD 1.8m. Ship operating expenses in 2023 include USD 16.7m in expenses related to Northern Supply, Standard Duke and Standard Defender and the comparative figures for 2022 are USD 8.3m. Ship operating expenses has increased in 2023 as the Group took possession of Standard Duke and Standard Defender in second half of 2022 and Northern Supply was consolidated from June 21, 2022. Depreciation increased with 2.9m in 2023 compared to 2022 explained by the full year effect of the net increase in the fleet of vessels during 2022.

Share of income in associated company for the period is USD 0.0m (USD 0.8m for 2022) and is related to Northern Supply AS until the Group gained control on 21 June 2022.

Net result before tax for the Group is USD 41.9m (USD 2m for 2022), and the total result of the year ends at USD 41.6m (USD 1.8m for 2022).

The Group's total assets is USD 106.7m as of December 31st, 2023 (USD 95.0 per 2022).

The Group has a cash balance of USD 89.5m as of December 31st, 2023 (USD 8.1m per 2022), which is sufficient to cover the total short term liabilities as of year-end.

The Group's net cash-flow from operating activities increased in 2023 with USD 16.2m compared to 2022 mainly a result of the increased fleet and reduction of net working capital in 2023. Net cash received from investing activities in 2023 relates to a net proceed of USD 99.3m from sale of eight vessels and investments in ballast water treatment systems and dry-dock expenses of USD -4.6m. Net cash-flow from financing activities in 2023 were USD -33.8m and is related to USD -0.1m in interest on the RCF and dividends and repayments of USD -24.9m to controlling interest and USD -8.7m to non-controlling interests.

Risk factors

Market risk and financial risk are considered as the main risk factors for the Group.

The main activity for the Group is shipping, and as of year-end 2023 the Group own one vessel which are operating in the offshore market in the North Sea with the risk factors involved.

Market risk related to the investments within shipping is affected by the general development in the offshore market.

The Group has no interest-bearing debt as of year-end and is mainly financed by equity. Total equity for the Group was USD 99.8m at year end 2023.

The Group has a limited exposure to liquidity risk, as the assets are mainly equity-financed, the total current assets amount to USD 97.2m at year-end 2023 and the Group has a committed revolving credit facility (RCF) of USD 20m with its majority owner SD Standard ETC Plc which is undrawn at year-end 2023.

Ferncliff TIH AS and S.D. Standard ETC Plc has a directors and officers liability insurance for the group and its subsidiaries. The insurance covers defense costs and potential legal liability for directors and officers arising out of claims made against them while serving on a board of directors and or as an officer and includes also positions outside these groups. The insurance renews annually, and the sum insured was NOK 100 million on 31 December 2023.

Health, safety and environment

The Group had no employees as of year-end.

The Group's goal is to ensure that it operates in such a way that no detrimental effects are made on the environment in which it operates.

Transparency Act

The Group is subject to the Transparency Act. The Act requires, amongst other things, the entities which fall under the act, to carry out Integrity Due Diligence assessments of its suppliers. The outcome of this process is to be made public. The Groups Transparency Report are published on the Groups website.

Subsequent events

Standard Supply AS's Board of Directors has decided to distribute an additional distribution of NOK 2.75 per share. Further information will be given in due course.

The sale of Standard Supplier, which was published 12 December 2023, was cancelled 17 January 2024, as Standard Supply was not able to deliver the vessel to the Buyer within the time frame set out in the Memorandum of Agreement due to the repair of the Azimuth thruster. The repair was completed end of January 2024 and Standard Supplier returned to the term contract with BP UK at a rate of USD 23,500 per day.

Going concern

The results and financial position for the Group indicates a satisfactory financial state. The Board of Directors confirms that the annual accounts are based on the going concern assumptions, and that these conditions exists, in accordance with the Norwegian Accounting Act, § 3-3.

Allocation of the result

The Board of Directors suggests that the Parent Company result for the period is transferred to uncovered loss and other equity.

Oslo, February 14th, 2024


Martin Nes
Chairman


Espen Lundaas
Board Member

CONSOLIDATED INCOME STATEMENT

USD	Note	2023	2022
OPERATING INCOME			
Operating income	3	39 439 569	22 430 209
Net gain sale of vessels	4,5	33 852 824	-
Total operating income		73 292 392	22 430 209
OPERATING COSTS			
Ship operating expenses	6	22 513 425	14 129 841
Administration expenses	7	1 770 244	1 846 299
Depreciations	4	7 586 987	4 728 508
Total operating expenses		31 870 657	20 704 647
NET OPERATING RESULT		41 421 736	1 725 562
Share of income in associated company	8	-	759 306
FINANCIAL ITEMS			
Interest income		540 318	39 519
Net currency gain/(loss)		141 463	-180 023
Interest costs	5	200 178	366 895
Net financial items		481 603	-507 399
NET RESULT BEFORE TAX		41 903 339	1 977 470
Tax	9	300 325	166 490
RESULT OF THE PERIOD		41 603 014	1 810 980
Attributed to majority interest	10	32 651 897	-28 591
Attributed to minority interest	10	8 951 117	1 839 570

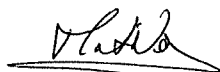
CONSOLIDATED BALANCE SHEET

USD	Note	31 Dec 2023	31 Dec 2022
NON-CURRENT ASSETS			
Fixed assets			
Vessels	4	9 519 857	77 989 771
Total fixed assets		9 519 857	77 989 771
Total fixed assets		9 519 857	77 989 771
CURRENT ASSETS			
Inventory			
Inventory	6	151 108	1 119 293
Accounts receivables			
Receivable ship manager	6,11	2 593 167	771 443
Other receivables	11	192 877	190 282
Accrued income	11	-	879 867
Trade receivables	11	4 685 417	5 967 414
Total receivables		7 471 461	7 809 007
Cash and cash equivalents		89 533 527	8 126 943
Total current assets		97 156 096	17 055 242
TOTAL ASSETS		106 675 953	95 045 013

CONSOLIDATED BALANCE SHEET

USD	Note	31 Dec 2023	31 Dec 2022
EQUITY			
Paid in capital			
Share capital	10,12	1 927 926	1 927 926
Premium of shares	10	60 352 617	83 504 766
Total paid in equity		62 280 543	85 432 692
Other equity			
Retained earnings	10	17 967 494	-12 917 419
Currency translation differences	10	-979 368	-979 369
Total other equity		16 988 126	-13 896 788
Minority interests	10	20 519 934	20 309 088
Total equity		99 788 603	91 844 992
LIABILITIES			
Long term liabilities			
Debt to owners	5	-	-
Total long-term liabilities		-	-
Short term liabilities			
Debt ship manager	6,13	2 645 559	2 429 508
Accounts payable	13	3 814 173	441 028
Tax payable	9	302 337	169 430
Other current liabilities	13	125 281	160 055
Total short-term liabilities		6 887 350	3 200 022
Total liabilities		6 887 350	3 200 022
TOTAL EQUITY AND LIABILITIES		106 675 953	95 045 013

Oslo, February 14th, 2024



Martin Nes
Chairman



Espen Lundaas
Board Member

CONSOLIDATED CASH FLOW STATEMENT

USD	Note	2023	2022
Cash-flow from operational activities			
Profit before tax		41 903 339	1 977 470
Share of income in associated company	8	-	-759 306
Depreciations	4	7 586 987	4 728 508
Income tax paid		-167 418	-49 657
Gain on sale of vessels	4	-33 852 824	-
Change in inventories		968 185	-927 342
Change in receivables and prepayments		337 545	-31 836
Change in payables and accruals		3 687 904	-90 289
Change in other provisions		-34 772	-653 281
Net cash-flow from operational activities		20 428 946	4 194 267
Cash-flow from investment activities			
Cash used in business combination net of cash acquired	16	-	-814 492
Investment in fixed assets	4	-4 580 778	-34 626 545
Net proceeds from sale of vessel	4	99 316 528	-
Net-Cash-flow from investment activities		94 735 750	-35 441 037
Cash-flow from financing activities			
Share issuance	10	-	35 401 301
Share issuance non-controlling interests	10	-	2 044 688
Drawdown RCF	5	3 700 000	19 900 000
Repayment RCF	5	-3 700 000	-19 900 000
Paid interest on RCF	5	-98 709	-314 554
Dividends and repayment to non-controlling interests	10	-8 743 010	-1 245 994
Dividends and repayment to controlling interests	10	-24 916 394	-11 147 899
Net cash-flow from financing activities		-33 758 113	24 737 542
Net change in cash and cash-equivalents		81 406 584	-6 509 228
Cash and cash-equivalents at beginning of period		8 126 943	14 636 171
Cash and cash-equivalents at end of period		89 533 527	8 126 943

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

NOTE 1 - THE PURPOSE OF THE GROUP AND THE BASIS FOR CONTINUED OPERATIONS:

The Standard Supply Group ("Group") was established 9 June 2022 when SD Standard ETC Plc. transferred all its shares in Wanax AS to Standard Supply AS as a contribution in kind. The transaction established the very same shareholder structure of Standard Supply AS as had been in Wanax AS immediately prior to the transaction. The transaction represents a capital reorganization, and not a business combination. The carrying values of assets and liabilities in Wanax AS are recognized in the combined group (with Standard Supply AS as the new parent company) with the same carrying values as in Wanax AS in line with predecessor accounting (i.e. to continuity) and with no fair value adjustments. The historical comparable financial information prior to the capital reorganization described above is therefore the historical financial information for Wanax AS and its subsidiaries.

On 21 June 2022 the BoD in Standard Supply approved the purchase of 290 878 shares in Northern Supply AS bringing the total ownership to 51% for the Group. Following the acquisition, the Group gained control over Northern Supply and Northern Supply was consolidated from this point in time. The acquisition of shares in Northern Supply was accounted for as a business combination. See note 16 for further information. All the vessels in Northern Supply AS were sold during 2023.

On 27 June 2022, the Group announced that it had agreed to acquire the 2012 built medium-size PSV Standard Duke for a cash consideration of USD 5 million. The vessel was held through the company Standard Duke AS, which is a wholly owned subsidiary of Wanax. The purchase of the vessel was accounted for as an asset acquisition. The Group took possession of the vessel on 1 July 2022 and the vessel was thereafter sent to UK to undergo reactivation- and drydocking. Standard Duke was sold on 7 August 2023.

On 28 June 2022, the Group announced that it had agreed to acquire the 2019 built large-sized PSV Standard Defender for a cash consideration of NOK 204 million (USD 20.7m). The vessel was held through the company Standard Defender AS, which is a 90 % owned subsidiary of Wanax. The Group took possession of the vessel on 11 October 2022 and the purchase of the vessel was accounted for as an asset acquisition. Standard Defender was sold on 11 December 2023.

The purpose of the Group is to operate the offshore supply vessels (PSV) and all other business related therewith to the most profitable outcome for the owners. The Groups administration is in Oslo.

The Group sold eight of the vessels during 2023 and as of 31 December 2023 the Group own one vessel which is off-hire as of year-end due to repair of one of the azimuth thrusters.

During 2023 the vessels have been trading in the offshore market in the North Sea and in West Africa with the risk factors involved. The imperative factor for the PSV market is the price of oil and gas. After several years with low prices, the recent rise is showing effects in form of increased rates and activity within the PSV market.

The Group is listed on Euronext Growth in Oslo and as of 31 December 2023 owned 53.4% by the Cyprus-based and Oslo-Stock exchange listed company SD Standard ETC Plc. SD Standard ETC Plc is an investment entity as set out in IFRS 10 and does not consolidate its subsidiaries. Investment in subsidiaries, including the Standard Supply group, are measured at fair value through profit and loss in accordance with IFRS 9.

The financial statements are presented under the going concern assumption.

NOTE 2 - ACCOUNTING PRINCIPLES:

General information

The financial statements have been prepared in accordance with the Norwegian Accounting Act and in accordance with Norwegian accounting standards.

The accounting principles are described below.

Functional currency

The financial statements are presented in USD, which is also the functional currency of the holding company and all of its subsidiaries. Northern Supply AS and Standard Defender AS changed functional currency to USD from 1 January 2023. The group is operating in the oil-service segment, where USD is considered to be the prevailing currency.

Basis of consolidation

The consolidated financial statements comprise of the financial statements of Standard Supply AS, and its subsidiaries and associated entities (the "Group").

Subsidiaries

Subsidiaries are fully consolidated from the date of acquisition, which is defined as the date on which the Group obtains control. Control is obtained when the Group has the power to govern the financial and operating policies. This is usually achieved when the Group owns, either directly or indirectly, more than 50 per cent of the share capital, has corresponding voting rights, or otherwise has an actually controlling interest. Subsidiaries are de-consolidated from the date on which control ceases.

The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

All inter-company transactions and balances are eliminated in the consolidated financial statements.

Business combinations

The group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, any liabilities incurred to the former owners of the acquiree, and any equity interests issued by the group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The group recognizes noncontrolling interest in the acquiree at fair value. In addition, previously owned equity method interest owned related to the acquired entity is derecognized and gain is recognized directly in equity.

Associates

Associates are all entities over which the group has significant influence but not control, generally accompanying a shareholding of between 20 % and 50 % of the voting rights. Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognized at cost, and the carrying amount is increased or decreased to recognize the investor's share of the profit or loss of the investee after the date of acquisition.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognizes the amount adjacent to 'share of profit/ (loss) of associates in the income statement.

Dilution gains and losses arising in investments in associates are recognized in the income statement.

The general rule when assessing and classifying assets and liabilities

Assets determined for permanent ownership or use are classified as fixed assets. Other assets are classified as current assets.

Fixed assets are recognized at cost but are written down to the higher of fair value and value in use. Fixed assets with finite economic lives are systematically depreciated.

Receivables to be repaid within one year are classified as current assets.

Corresponding criteria form the basis when classifying short-term and long-term liabilities.

Current assets are assessed at the lower of acquisition cost and fair value. Short-term liabilities are recognized at the nominal amount received on the date of establishment. Certain items are assessed according to other rules as explained below.

Revenue and expense recognition

The Group's activity is to employ PSVs. 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 shown net of rebates, commissions and discounts and after elimination of sales within the Group.

Time charter revenue (term and spot) is accounted for as an operating lease and is recognized on a straight-line basis over the term of the time charter arrangement.

Certain contracts include mobilization fees payable at the start of the contract. Mobilization fees are recognized on a straight line basis over the term of the arrangement.

Ship operating expenses and administrative expenses are recognized as an expense when incurred.

Tax

The companies owning vessels and owning shares in vessel owning companies, are subject to taxation under the Norwegian tonnage tax regime. Under the tonnage tax regime, profit from operations is exempt from taxes. Taxable profit is calculated on the basis of financial income after deduction of a portion of financial expenses. The portion is calculated as financial assets in percent of total assets. Tonnage tax is payable based on the net tonnage of vessels. Tonnage tax is classified as an operating expense.

Tax expense comprise tax payable and deferred tax expense. Tax payable is measured at the amount expected to be paid to authorities while deferred tax assets/liabilities are calculated based on temporary differences at the reporting date. Deferred tax assets are recognized to the extent that it is probable that they can be utilized in the future. Deferred tax is calculated with 22 % of the basis of temporary differences existing between accounting wise and taxwise values.

Tangible fixed assets

Tangible fixed asset are vessels, and they are entered in the financial position statement at cost less accumulated depreciation. Depreciation is linear and based on an assessment of the asset's remaining useful lifespan.

The tangible fixed asset will be written down to the higher of fair value and value in use.

Costs related to repair and maintenance of the vessels are expensed, as this is deemed as costs necessary in order to keep the vessels in good seaworthy condition.

Receivables

Trade debtors and other receivables are recognized at nominal after provisions for losses have been deducted. Provisions for losses are made on the basis of an individual assessment of each receivable.

Exchange rates

Liquid assets in foreign currencies are assessed in accordance with the current exchange rate principle. Long-term liabilities are posted at the current exchange rate.

The following exchange rate is used in the accounts:

GBP/USD per 31 December 2023: 1.2715 (31.12.2022: 1.2026)

NOK/USD per 31 December 2023: 0.0983 (31.12.2022: 0.1014)

NOTE 3 - INCOME:

The Group sold eight of the vessels during 2023 and as of 31 December 2023 the Group own one vessel.

During 2023 the three large size PSVs had a weighted average of utilizations on 94 % based on availability.

During 2023 the five medium size PSVs in Northern Supply and the one medium sized PSV owned 100% had a weighted average of utilization on 89% based on availability.

Total operating income related to the spot marked in 2023 was USD 3.8m (USD 5.3m in 2022) and USD 35.6m (USD 17.1m in 2022) was related to the term marked.

The Group operates in international waters, hence, there are no relevant geographical segmentation of income and costs.

NOTE 4 – FIXED ASSETS:

The Group has as per year-end 2023 one vessel. The vessel is being depreciated linearly down to scrap value over an expected economic lifespan on 25 years. Activated dry-dock expenses are depreciated over the dry-dock cycle of 5 years.

Indicators of impairment has been assessed at year-end 2023 and no indicators for impairment were identified.

Vessels	2023	2022
Purchase cost 1 January	93 787 178	30 056 569
Vessels acquired through business combination	-	29 104 064
Investments	4 580 778	34 626 545
Sale	-80 643 334	-
Purchase cost 31 December	17 724 621	93 787 178
Acc. depreciation 1 January	15 968 064	11 239 556
Depreciation of the period	7 586 987	4 728 508
Acc. depreciation sold vessels	-15 179 630	-
Acc. Depreciation 31 December	8 375 421	15 968 064
Acc. currency translation differences	170 656	170 656
Book value 31 December	9 519 857	77 989 771

The Group sold eight vessels during 2023. At time of sale, the book value of these vessels was USD 65.4m. Net proceeds from these sales was USD 99.3m which resulted in a net gain on USD 33.9m

NOTE 5 – RELATED PARTY:

The Group has a revolving credit facility ("RCF") with its majority owner SD. Standard ETC Plc with a committed amount of USD 20m and the maturity date is 31 December 2024. Interest is calculated based on Term SOFR 3m and a margin on 5%. As of 31 December 2023, the RCF was undrawn. Interest expense including amortization of arrangement fee amounts USD 198 709 in 2023 (USD 364 554 in 2022).

A fee of USD 796 970 has been invoiced from Ferncliff TIH relating to assistance with the sale of the eight vessels during 2023. This has been recognized toward net gain sale of vessels in 2023.

See note 7 for other transactions with related parties in 2023.

NOTE 6 – SHIP OPERATING EXPENSES

The Group has entered into management agreements with Fletcher Supply Vessels Ltd. ("FSV") which inter alia includes the technical and commercial management of the vessels, crew management, purchase of provisions/consumables, insurance arrangements and accounting services in respect to the operating accounts.

FSV receives a remuneration of GBP 500.00 per day per vessel if the vessel is fixed.

In addition, FSV receives a fee equal to 1.25% of the gross hire under the charter parties when the vessel is fixed and a brokerage fee of 1.25% up to 2.50%. This cost is in the accounts considered commission and is recognized in the calculation of the net income, cf. Note No. 3. (USD 1 051 857 for 2023 and USD 711 272 for 2022)

The main cost component of the ship operating expenses includes crew cost, maintenance and repairs, bunkers and lube oil, insurances as well as fees to the technical and commercial management. The tonnage tax, cf. Note No.9 is also included in ship operating expenses. Total ship operating expenses for 2023 was USD 22,513,425 (01.01.2022-31.12.2022: USD 14,129,841).

Balance with the ship manager:

	31.12.2023		31.12.2022	
	GBP	USD	GBP	USD
Inventories on board	118 842	151 108	930 747	1 119 293
Current assets	2 039 457	2 593 167	641 495	771 443
Current liabilities	-2 080 685	-2 645 559	-2 020 262	-2 429 508
Net balance	77 614	98 716	-448 020	-538 773

NOTE 7 – ADMINISTRATION EXPENSES:

Administration expenses consist of:

	2023	2022
Corporate Management fee*	1 357 999	1 000 401
Consultant, accountant, and other fees	89 294	366 111
Legal fee	65 033	229 115
Auditor's remuneration	120 098	70 803
Board of Director's remuneration	41 964	-
Other costs	95 857	179 869
Total	1 770 244	1 846 299

Auditors' remuneration consists of:

	2023	2022
Audit fee	108 585	38 948
Other attestation services	2 901	9 710
Other services	8 611	22 145
Total	120 098	70 803

* Corporate Management fee to Clarkssons (USD 466 455), CFO services fee to Tycoon Industrier AS (USD 134 537 – Related Party), Management services fee to Ferncliff TIH AS (USD 430 233 – Related Party) and CEO services fee to Standard Invest AS (USD 326 773 – Related Party)

The Group has no employees. The Group is not obligated to establish mandatory occupational pension.

Board of Director's remuneration in 2023 consists of:

Name	Position	Director's fee NOK	Director's fee USD
Martin Nes	Chairman	250 000	23 313
Espen Lundaas	Board member	200 000	18 651
Total remuneration 2023		450 000	41 964

NOTE 8 – ASSOCIATED COMPANIES:

	Northern Supply AS
1 January 2022	6 013 304
Share of profit for the period	759 306
Currency exchange differences	-746 543
Derecognition of associate due to acquisition	-6 026 067
31 December 2022	-

NOTE 9 – TAX / DEFERRED TAX:

	2023	2022
<i>Income tax expense:</i>		
Current tax on profits for the year	302 337	166 490
Decrease (increase) in deferred tax assets	-	-
Change in previous tax payable	-2 012	-
Income tax expense (benefit)	300 325	166 490
Tonnage taxes payable presented as ship operating expenses	3 433	2 648
<i>Reconciliation of income tax expense:</i>		
Profit (loss) before income tax expense	41 903 339	1 977 470
Tax at tax rate of 22%	9 218 735	435 043
Income tax expense	300 325	166 490
Difference	8 918 409	268 553
<i>Difference comprises of:</i>		
Permanent differences	-31 991	-594 294
Tax effect of Norwegian tonnage tax legislation	8 905 110	223 059
Tax effect of deferred tax assets not recognized	43 278	639 789
Change in previous tax payable	2 012	-
Total difference:	8 918 409	268 553
<i>Current tax assets and liabilities in balance sheet</i>		
Current tax on profits for the year	302 337	166 490
Currency translation differences	-	2 940
Tax payable	302 337	169 430
<i>Temporary differences and tax losses:</i>		
Net temporary differences	-	-
Tax losses	-5 839 363	-2 865 557
Total basis for potential deferred tax asset	-5 839 363	-2 865 557
Potential deferred tax asset - 22%	1 284 660	630 423
Unrecognized deferred tax asset*	-1 284 660	-630 423
Carrying amount of deferred tax asset	-	-

* Deferred tax assets on basis of tax losses carried forward, are not recognised based on uncertainty on when/if it will be set off against taxable profit.

NOTE 10 – EQUITY:

	Share capital	Premium of shares	Uncovered loss	Currency translations	Minority interests	Total
Equity 01 January 2022 - Revised	24 749	65 541 325	-23 818 823	-708 488	-	41 038 763
Incorporation of Standard Supply	3 396	-631	-	-	-	2 766
Contribution in kind - Wanax AS	1 030 370	-8 227 591	7 197 220	-	-	-
Share issuance - Private placement	334 433	14 581 293	-	-	-	14 915 726
Contribution in kind - Northern Supply AS	99 173	4 323 925	-	-	-	4 423 098
Share issuance – Private placement	435 804	20 047 004	-	-	-	20 482 809
Share issuance cost - Private placements	-	-1 612 662	-120 519	-	-13 391	-1 746 572
Gain on derecognition of associated company	-	-	3 853 294	-	-	3 853 294
Net profit for the period	-	-	-28 591	-	1 839 570	1 810 980
Addition of minority interest	-	-	-	-	19 550 518	19 550 518
Currency translation adjustment	-	-	-	-270 882	178 384	-92 498
Dividends to minority	-	-	-	-	-1 245 994	-1 245 994
Dividends to majority owner	-	-11 147 899	-	-	-	-11 147 899
Total equity 31 December 2022	1 927 926	83 504 766	-12 917 419	-979 369	20 309 088	91 844 992

	Share capital	Premium of shares	Uncovered loss	Currency translations	Minority interests	Total
Equity 01 January 2023	1 927 926	83 504 766	-12 917 419	-979 369	20 309 088	91 844 992
Net profit for the period	-	-	32 651 897	-	8 951 117	41 603 014
Dividends to non-controlling interests	-	-	-2 739	1	-8 740 271	-8 743 009
Dividends to controlling interests	-	-23 152 149	-1 764 245	-	-	-24 916 394
Total equity 31 December 2023	1 927 926	60 352 617	17 967 494	-979 368	20 519 934	99 788 603

NOTE 11 – SHORT TERM RECEIVABLES:

Short-term receivables are due within one year.

NOTE 12 – SHAREHOLDERS:

The share capital of the parent company is NOK 18 772 629.1, equal to USD 1 927 926, distributed at 187 726 291 shares at NOK 0.1

The Group does not hold any own shares.

The parent company's 20 largest shareholders are as follows:

	31.12.2023	
Owner	Number of Shares	Ownership interest in %
S.D. STANDARD ETC PLC	100 300 000	53,43
SONGA CAPITAL AS	16 998 710	9,06
UTHALDEN AS	5 728 860	3,05
NORDNET LIVSFORSIKRING AS	3 623 937	1,93
SURFSIDE HOLDING AS	3 281 166	1,75
J.P. Morgan SE	3 269 650	1,74
NORSK HEDGE-FOND AS	3 015 720	1,61
STEINAR GRØNLAND	1 496 485	0,80
ANTI-GRAVITY AS	1 493 552	0,80
JAN HEGGELUND	1 325 000	0,71
TYCOON INDUSTRIER AS	1 155 613	0,62
TARJEM HOLDING AS	1 150 000	0,61
Citibank, N.A.	962 950	0,51
Avanza Bank AB	936 790	0,50
NÆRINGSLIVETS HOVEDORGANISASJON	894 781	0,48
BNP PARIBAS ARBITRAGE SNC	875 488	0,47
Active Pro AS	868 400	0,46
Contigo AS	840 000	0,45
Morgan Stanley & Co. LLC	779 755	0,42
Goldman Sachs International	741 556	0,40
Total 20 largest	149 738 413	79,76
Others	37 987 878	20,24
Total	187 726 291	100,00

NOTE 13 – CURRENT LIABILITIES:

Current liabilities are due within one year.

NOTE 14 – SHARES OWNED/REPRESENTED BY THE BOARD:

Name	Position	Represents	Owned directly
Martin Nes	Chairman	53 %	0 %
Espen Lundaas	Director	53 %	0 %

NOTE 15 – SUBSIDIARIES:

Name of entity	Office	Ownership	Voting-rights
Standard Supplier AS	Oslo	100 %	100 %
Standard Viking AS – Under liquidation	Oslo	100 %	100 %
Standard Defender AS – Under liquidation	Oslo	90 %	90 %
Standard Duke AS - Under liquidation	Oslo	100 %	100 %
Northern Supply AS – Under liquidation	Oslo	51 %	51 %
Wanax AS	Oslo	100 %	100 %

NOTE 16 – BUSINESS COMBINATION:

On 21 June 2022 the BoD in Standard Supply approved the purchase of 290 878 shares in Northern Supply AS corresponding to an ownership share of 22.88%. Northern Supply AS is a company holding 5 mid-size PSV's, being the FS Kristiansand, FS Crathes, FS Balmoral, FS Abergeldie and FS Braemar. The Group already owned 28.12% of the shares in Northern Supply and the total ownership share after the acquisition was 51% and Northern Supply will thus be consolidated from this point in time.

The purchase price for the shares were settled with NOK 38,383,861.40 in cash and through issuance of 9,708,898 shares in Standard Supply AS at NOK 4.46. The total purchase price for the 22.88% ownership shares in Northern Supply was hence NOK 81 685 546.48 corresponding to a valuation of USD 35.8m for the company as a whole. A purchase price allocation was performed, resulting in an allocation of all surplus values of USD 14m to the vessels in Northern Supply on a 100% basis. No deferred tax has been accounted for as Northern Supply are subject to taxation under the Norwegian tonnage tax regime. A gain of USD 3.853 thousand upon derecognition of the previously held interest of 28.12% has been recognized directly in equity.

If Northern Supply had been consolidated as of 1 January 2022, total operating income for the Group for the year ended 31 December 2022 would have been 29.0m USD.

NOTE 17 – SUBSEQUENT EVENTS:

Standard Supply AS's Board of Directors has decided to distribute an additional distribution of NOK 2.75 per share. Further information will be given in due course.

The sale of Standard Supplier, which was published 12 December 2023, was cancelled 17 January 2024, as Standard Supply was not able to deliver the vessel to the Buyer within the time frame set out in the Memorandum of Agreement due to the repair of the Azimuth thruster. The repair was completed end of January 2024 and Standard Supplier returned to the term contract with BP UK at a rate of USD 23,500 per day.

Standard Supply AS

Financial Calendar (Release of Financial Reports)

Q4 2023	15 February 2024
Annual Report 2023	15 February 2024
Annual General Meeting	07 March 2024
Q1 2024	16 May 2024
Q2 2024	23 August 2024
Q3 2024	15 November 2024

<https://standard-supply.com/>

About Standard Supply:

Standard Supply owns a fleet of one (1) large-sized Platform Supply Vessel (PSV). Standard Supply will actively seek further growth opportunities and has a clear ambition to return excess cash to its shareholders.

Annual Report 2023

Standard Supply AS

Income statement
Balance sheet
Cash flows
Notes to the Accounts

Org.no.: 929 048 717

INCOME STATEMENT

STANDARD SUPPLY AS

OPERATING INCOME AND OPERATING EXPENSES	Note	2023	01.03.22 - 31.12.22
AMOUNT IN USD			
Administration expenses	1, 2	1 123 871	1 197 670
Total operating expenses		1 123 871	1 197 670
Operating profit		-1 123 871	-1 197 670
FINANCIAL INCOME AND EXPENSES			
Income from subsidiaries	3, 7	15 000 000	0
Interest income from group companies	2, 3	0	585 431
Other interest income	3	56 073	1 305
Gain on financial assets	3	0	360 971
Other financial income	3	0	450 298
Interest expense to group companies	2, 3	198 709	364 554
Other financial expenses	3	167 686	0
Net financial items		14 689 678	1 033 451
Net profit before tax		13 565 807	-164 220
Income tax expense	4	0	0
Net profit or loss	5	13 565 807	-164 220
ATTRIBUTABLE TO			
Attributable to cover previously uncovered losses		164 219	0
Extraordinary dividend		1 764 245	0
Other equity		11 637 343	0
Loss brought forward		0	164 220
Total		13 565 807	-164 220

BALANCE SHEET

STANDARD SUPPLY AS

	Note	2023	2022
NON-CURRENT ASSETS			
FINANCIAL ASSETS			
Investment in subsidiaries	6	37 605 217	83 936 113
Total financial assets		37 605 217	83 936 113
CURRENT ASSETS			
ACCOUNTS RECEIVABLES			
Other receivables	7	66 877	169 755
Receivables from group companies	7	15 000 000	0
Total receivables		15 066 877	169 755
Cash and cash equivalents		21 558 351	1 349 413
Total current assets		36 625 228	1 519 168
Total assets		74 230 446	85 455 281

BALANCE SHEET

STANDARD SUPPLY AS

EQUITY	Note	2023	2022
PAID-IN CAPITAL			
Share capital	8, 9	1 927 926	1 927 926
Share Premium	8	60 352 617	83 504 766
Total paid-up equity		62 280 543	85 432 692
OTHER EQUITY			
Other equity	9	11 637 343	0
Uncovered loss	5	0	-164 220
Total other equity		11 637 343	-164 220
Total equity	5	73 917 886	85 268 472
LIABILITIES			
Short term liabilities			
Accounts payable		309 912	63 824
Other current liabilities		2 648	122 985
Total short term liabilities		312 560	186 809
Total liabilities		312 560	186 809
Total equity and liabilities		74 230 446	85 455 281

Oslo, 14.02.2024

The board of Standard Supply AS



Martin Nes
chairman of the board



Espen Lundaas
member of the board

CASH FLOW STATEMENT

STANDARD SUPPLY AS

	Note	2023 01.03.22 - 31.12.22	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/loss before tax		13 565 807	-164 220
Loss/(-gain) on sale financial assets		0	-360 971
Change in payables and accruals		125 751	186 809
Change in other provisions		98 709	-1 884 507
Change in receivables and prepayments		-14 897 122	-169 755
Net cash flows from operating activities		-1 106 855	-2 392 645
CASH FLOWS FROM INVESTMENT ACTIVITIES			
Investments in subsidiaries		0	-32 644 689
Dividends from subsidiaries	6	46 330 896	1 300 000
Net cash flows from investment activities		46 330 896	-31 344 689
CASH FLOWS FROM FINANCING ACTIVITIES			
Equity issue		0	35 401 301
Drawdown RCF	2	3 700 000	19 900 000
Repayment RCF	2	-3 700 000	-19 900 000
Paid interest on RCF	2	-98 709	-314 554
Dividends and repayment to controlling interests	5	-24 916 394	0
Net cash flows from financing activities		-25 015 103	35 086 747
Net change in cash and cash equivalents		20 208 938	1 349 414
Cash and cash equivalents at the start of the period		1 349 413	0
Cash and cash equivalents at the end of the period		21 558 351	1 349 414

Accounting principles

General information

The financial statements have been prepared in accordance with the Norwegian Accounting Act and Generally Accepted Accounting Principles in Norway ("NGAAP").

The accounting principles are described below.

FUNCTIONAL CURRENCY

The financial statements are presented in USD, which is also the functional currency of the company. The group is operating in the oil-service segment, where USD is considered to be the prevailing currency.

THE GENERAL RULE WHEN ASSESSING AND CLASSIFYING ASSETS AND LIABILITIES

Assets determined for permanent ownership or use are classified as fixed assets. Other assets are classified as current assets.

Fixed assets are assessed at cost but are written down to fair value when the fall in value is not expected to be transitory. Fixed assets with finite economic lives are systematically depreciated.

Receivables to be repaid within one year are classified as current assets.

Corresponding criteria form the basis when classifying short-term and long-term liabilities.

Current assets are assessed at the lower of acquisition cost and fair value. Short-term liabilities are recognized at the nominal amount received on the date of establishment.

SHARES IN SUBSIDIARIES

Subsidiaries are valued using the cost method in the company accounts. The investment is valued at acquisition cost for the shares unless a write-down has been necessary. A write-down to fair value is made when a fall in value is due to reasons that cannot be expected to be temporary and such write-down must be considered as necessary in accordance with good accounting practice. Write-downs are reversed when the basis for the write-down is no longer present.

Dividends, group contributions and other distributions from subsidiaries are posted to income in the same year as provided for in the distributor's accounts. To the extent that dividends/ group contributions exceed the share of profits earned after the date of acquisition, the excess amounts represents a repayment of invested capital, and distributions are deducted from the investment's value in the balance sheet of the company.

TAX

Tax expense comprise tax payable and deferred tax expense. Tax payable is measured at the amount expected to be paid to authorities while deferred tax assets/liabilities are calculated based on temporary differences at the reporting date. Deferred tax assets are recognized to the extent that it is probable that they can be utilized in the future. Deferred tax is calculated with 22 % of the basis of temporary differences existing between accountingwise and taxwise values.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents includes bank accounts in USD and foreign currency. Cash and cash equivalents in foreign currency is booked in USD using exchange rates as of 31.12. Agio/disagio is booked in the income statement.

RECEIVABLES

Receivables from customers and other receivables are entered at par value after deducting a provision for expected losses. The provision for losses is made on the basis of an individual assessment of the respective receivables.

EXCHANGE RATES

Liquid assets in foreign currencies are assessed in accordance with the current exchange rate principle. Long-term liabilities are posted at the current exchange rate.

The following exchange rate is used in the accounts: NOK/USD per 31 December 2023: 0.0983

Note 1 Personnel expenses, number of employees, remuneration, loan to employees

The company has no employees.

No loans/securities has been granted to the general manager, the Board chairman or other related parties. The company has no mandatory pension scheme (OTP).

Board of Director's remuneration in 2023 consists of:

Name	Position	Director's fee NOK	Directors fee USD
Martin Nes	Chairman	250 000	23 313
Espen Lundaas	Board member	200 000	18 651
Total remuneration 2023		450 000	41 964

Audit fees including VAT

	2023	2022
Audit fee	31 107	2 509
Other audit attestation services	2 901	28 851
Other services	8 593	
Sum	42 601	31 360

Note 2 Related Party

Standard Supply AS has a revolving credit facility ("RCF") with its majority owner SD. Standard ETC Plc with a committed amount of USD 20m and a maturity 31 December 2024. Interest is calculated based on Term SOFR 3m and a margin on 5%. As of 31 December 2023, the RCF was undrawn. Interest expense including amortization of arrangement fee amounts USD 198 709 in 2023 (USD 364 554 in 2022).

Other transactions with related parties

		2023	2022
Tycoon Industrier AS	Fee for CFO services	USD 134 537	105 610
Ferncliff TIH AS	Fee management services	USD 430 233	474 675
Ferncliff TIH AS	Fee related to listing and transactions	USD	320 000
Standard Invest AS	Fee for CEO services	USD 326 773	141 111
Wanax AS	Interest income	USD	585 431

Note 3 Items that are aggregated in the accounts

	2023	01.03 - 31.12.2022
Financial income		
Gain on financial assets	0	360 971
Dividend Wanax AS	15 000 000	0
Interest income from companies in the same group	0	585 431
Other interest income	56 073	1 305
Other financial income (agio)	0	450 298
Total financial income	15 056 073	1 398 005
Financial costs	2023	01.03 - 31.12.2022
Interest costs to companies in the same group	198 709	364 554
Other financial expenses (disagio)	167 686	0
Total financial costs	366 395	364 554

Note 4 Tax

This year's tax expense	2023	2022
Entered tax on ordinary profit/loss:		
Payable tax	0	0
Changes in deferred tax assets	0	0
Tax expense on ordinary profit/loss	0	0
Taxable income:		
Result before tax	13 565 807	-164 219
Permanent differences	-14 995 107	-1 974 263
Currency translation differences	-372 798	-727 075
Taxable income	-1 802 098	-2 865 557
Payable tax in the balance:		
Payable tax on this year's result	0	0
Total payable tax in the balance	0	0

The tax effect of temporary differences and loss for to be carried forward that has formed the basis for deferred tax and deferred tax advantages, specified on type of temporary differences

	2023	2022
Accumulated loss to be brought forward	-4 445 162	-2 865 557
Not included in the deferred tax calculation	4 445 162	2 865 557
Deferred tax assets (22 %)	0	0

Deferred tax assets on basis of tax losses carried forward, are not recognized based on uncertainty on when/if it will be set off against taxable profit.

Note 5 Equity capital

	Share capital	Share premium	Other equity	Uncovered loss	Total equity capital
Equity at 01.01.2023	1 927 926	83 504 766		-164 219	85 268 473
Net profit for the period			13 401 588	164 219	13 565 807
Distribution of paid-in capital		-23 152 149			-23 152 149
Dividends			-1 764 245		-1 764 245
Total equity 31.12.2023	1 927 926	60 352 617	11 637 343	0	73 917 886

Note 6 Investments in subsidiaries

Investments in subsidiaries, associated companies and joint ventures are booked according to the cost method. Amount in USD.

2023

Company	Location	Ownership/ voting rights	Cost	Book value	Result for the year	Equity as of 31.12
Wanax AS	Oslo	100 %	37 605 217	37 605 217	13 198 088	32 608 437

Wanax AS has during 2023 distributed USD 46 330 896 in paid-in equity. This has been recognized as a reduction of cost towards this investment.

2022

Company	Location	Ownership/ voting rights	Cost	Book value	Result for the year	Equity as of 31.12
Wanax AS	Oslo	100 %	83 936 113	83 936 113	9 210 564	80 741 245

On 21 June 2022 Standard Supply AS purchased 22.88 % of the shares in Northern Supply AS. The purchase price were settled with USD 3.9m in cash and through issuance of 9.7m shares in Standard Supply AS. To consolidate the Groups shareholdings in Northern Supply AS, Standard Supply ASs 22.88% ownership share where transferred to Wanax AS as a contribution in kind on 26 August 2022.

Note 7 Other short-term receivables and receivables from group companies

	2023	2022
Arrangement fee	0	100 000
Prepaid expenses	66 877	69 755
Dividend Wanax AS	15 000 000	0
Total other short-term receivables	15 066 877	169 755

Note 8 Share capital and shareholder information

Share capital	Number of shares	Nominal value NOK	Total Share capital NOK	Book value USD
Ordinary shares	187 726 291	0,1	18 772 629,10	1 927 926

Owner	Number of shares	Ownership interest in %
S.D. STANDARD ETC PLC	100 300 000	53,43
SONGA CAPITAL AS	16 998 710	9,06
UTHALDEN AS	5 728 860	3,05
NORDNET LIVSFORSIKRING AS	3 623 937	1,93
SURFSIDE HOLDING AS	3 281 166	1,75
J.P Morgan SE	3 269 650	1,74
NORSK HEDGE-FOND AS	3 015 720	1,61
STEINAR GRØNLAND	1 496 485	0,80
ANTI-GRAVITY AS	1 493 552	0,80
JAN HEGGELUND	1 325 000	0,71
TYCOON INDUSTRIER AS	1 155 613	0,62
TARJEM HOLDING AS	1 150 000	0,61
CITIBANK, N.A.	962 950	0,51
Avanza Bank AB	936 790	0,50
NÆRINGSLIVETS HOVEDORGANISASJON	894 781	0,48
BNP PARIBAS ARBITRAGE SNC	875 488	0,47
Active Pro AS	868 400	0,46
Contigo AS	840 000	0,45
Morgan Stanley & Co. LLC	779 755	0,42
Goldman Sachs International	741 556	0,40
Total 20 largest	149 738 413	79,76 %
Others	37 987 878	20,24 %
Total number of shares	187 726 291	100 %

Note 9 Going concern

Standard Supply AS ("Company") was founded 1 March 2022 and became the new parent company in the Standard Supply Group ("Group") on 9 June 2022 when SD Standard ETC Plc. transferred all its shares in Wanax AS to Standard Supply AS as a contribution in kind. The purpose of the Company is to invest in offshore supply vessels, and other business related therewith. Standard Supply AS has one wholly owned subsidiary as of 31 December 2023.

The Company is listed on Euronext Growth in Oslo and as of 31 December 2023 owned 53.4% by the Cyprus-based and Oslo-Stock exchange listed company SD Standard ETC Plc.

The financial statements are presented under the going concern assumption.

Note 10 - Subsequent events

Standard Supply AS's Board of Directors has decided to distribute an additional distribution of NOK 2.75 per share. Further information will be given in due course.



To the General Meeting of Standard Supply AS

Independent Auditor's Report

Opinion

We have audited the financial statements of Standard Supply AS, which comprise:

- the financial statements of the parent company Standard Supply AS (the Company), which comprise the balance sheet as at 31 December 2023, the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- the consolidated financial statements of Standard Supply AS and its subsidiaries (the Group), which comprise the balance sheet as at 31 December 2023, the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

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 2023, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

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.

Other Information

The Board of Directors (management) is responsible for the information in the Board of Directors' report. 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.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report. 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 the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, 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. The financial statements use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

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. For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to: <https://revisorforeningen.no/revisjonsberetninger>

Oslo, 14 February 2024

PricewaterhouseCoopers AS

Bjørn Lund
State Authorised Public Accountant
(This document is signed electronically)