

**S.D. STANDARD ETC PLC**  
**FIRST QUARTER REPORT 2024**



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## STATEMENT OF THE MEMBERS OF THE BOARD OF DIRECTORS AND OTHER RESPONSIBLE PERSONS OF THE COMPANY FOR THE INTERIM CONDENSED FINANCIAL STATEMENTS

In accordance with Article 10 sections (3) (c) and (7) of the Transparency Requirements (Securities for Trading on Regulated Markets) Law of 2007 and 2009 ("Law") we, the members of the Board of Directors and other responsible persons for the drafting of the interim condensed financial statements of S.D. Standard ETC Plc (the "Company"), for the three months ended 31 March 2024 we confirm that, to the best of our knowledge:

- a) The interim condensed financial statements of the Company for the three months ended 31 March 2024 which are presented on pages 7 to 17:
  - (i) were prepared in accordance with International Financial Reporting Standards IAS 34 "Interim Financial Reporting", as adopted by the European Union in accordance with provisions of Article 10, section (4) of the Law, and
  - (ii) give a true and fair view of the assets and liabilities, the financial position and the profit or losses of the Company, and the business that are included in the financial statements as a total, and
- b) The Interim Management Report provides a fair overview of the information required as per section 6 of article 10 of Law 190(I)/2007.

Limassol, 15 May 2024

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Martin Nes  
Chairman

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Konstantinos Pantelidis  
Independent Director

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George Crystallis  
Independent Director

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Christos Neokleous  
Chief Financial Officer

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Evangelia Panagide  
General Manager

# First Quarter Management Report 2024

## Selected Financial Information

<i>(Amounts in USD 000)</i>	Three Months Ended	
	2024 Q1 <i>Unaudited</i>	2023 Q1 <i>Unaudited</i>
Operating (loss) / profit	<b>(5 988)</b>	1 303
(Loss) / profit for the period before tax	<b>(5 989)</b>	1 295
Total comprehensive (loss) / income for the period	<b>(6 057)</b>	1 261

(\*) Analytical income statement is presented on page 7 of the first quarter report.

## Presentation of Interim Condensed Financial Statements

These interim condensed financial statements for the first quarter of the year 2024 are prepared and presented on a standalone basis, since the Company is an investment entity and shall not consolidate its subsidiaries.

The Company measures its investment in subsidiary Standard Supply AS and associate Dolphin Drilling AS at fair value through profit or loss. Consequently, the Company's investments in Standard Supply AS and Dolphin Drilling AS are valued based on the traded share price on Euronext Growth Oslo respectively as of 31 March 2024.

With regards to the subsidiary Standard Invest AS which is not an investment entity and its main purpose is to provide services relating to the investment activity of the Company, the management of the Company decided not to consolidate this subsidiary since the effect of its results for the first quarter of the year 2024 are considered immaterial.

## Highlights First Quarter

1. In Q1 2024, the Company recognized an unrealized loss of USD 35 million in Standard Supply AS and Dolphin Drilling AS combined, reflecting the respective share price development during the quarter. In addition, the Company received dividend from Standard Supply AS of USD 26.1million, giving a net loss of USD 8.9 million on Standard Supply AS and Dolphin Drilling AS combined during the first quarter. The market value of these investments as of 31 March 2024 was USD 46 million.
2. Moreover, in Q1 2024 the Company recognised a gain from the revaluation of other financial assets held for trading of USD 2,6 million. The fair value of the financial assets held for trading as of 31 March 2024 was USD 36,5 million.
3. In addition, interest income for Q1 2024 earned mainly from the ETC portfolio which includes debt securities and loans receivable, was USD 1 million.

# First Quarter Management Report 2024 (Continued)

## Selected Financial Information

### Alternative Performance Measures

The Company is an investment entity and shall not consolidate its subsidiaries. The Company measures its investment in subsidiary Standard Supply AS and associates at fair value through profit or loss.

In reporting financial information, the Company presents alternative performance measures, “APMs”, which are not defined or specified under the requirements of IFRS. The Company believes that these APMs, which are not considered to be a substitute for or superior to IFRS measures, provide stakeholders with additional helpful information on the performance of the subsidiary and associate companies.

More information on the APMs used in the Q1 2024 Report, their definition and calculation are provided below, as well as a reference to the respective pages of Q1 2024 and of the presentation which is released together with this interim report on the Company’s website:

APM	Definition and Calculation	Reference
Operating Profit / (Loss)	Income from operating activities subtracting administration expenses as presented in the income statement	Q1 2024 Report – Interim Condensed Statement of Comprehensive Income on page 7
Profit / (Loss) before tax	Operating profit less finance costs	Presentation Highlights on page 6 and Income Statement on page 11
Profit / (Loss) after tax	Operating profit less finance costs and income tax	

### Subsequent Events

The following events took place between the Balance Sheet date and the date of approval of these interim condensed financial statements:

1. In April 2024, the associate Dolphin Drilling AS proceeded with an equity issue through a private placement raising gross proceeds of the NOK equivalent of USD 40 million. The Company, as one of the largest shareholders, was allocated shares for NOK 50 million, however its holding was reduced to 17%.
2. In April 2024, the Company provided to Ferncliff Opportunities AS an additional amount of USD 5,2 million as part of the unsecured loan concluded in November 2023.

# FIRST QUARTER MANAGEMENT REPORT 2024 (CONTINUED)

## RESULTS FOR THE FIRST QUARTER OF 2024 AND FINANCIAL COMPARISON WITH THE FIRST QUARTER OF 2023

The operating loss for the three months ended on the 31 March 2024 was USD 6 million compared to the three months ended 31 March 2023 profit of USD 1,3 million. The reduction of the operating profit in 2024 compared to Q1 23 profit is mainly due to an unrealized loss on revaluation of financial assets of USD 35 million (compared to a revaluation gain of USD 451 thousands in Q1 23), a fair value profit from investments held for trading of USD 2,6 million (compared to a fair value loss of USD 263 thousands in Q1 23), dividend income of USD 26,1 million (compared to dividend income of USD 977 thousands in Q1 23), interest income of USD 1 million (compared to interest income of USD 531 thousands in Q1 23) and is after deducting a net foreign currency loss of USD 500 thousands (compared to USD 43 thousands gain in Q1 23) and administration expenses of USD 207 thousands. Loss after the deduction of income tax expense is approximately USD 6,1 million (Q1 23: Profit after tax of USD 1,3 million). Loss per share was USD 0,01 for the Quarter.

The Company's results for the three months of the year 2024 are not considered satisfactory when compared to Q1 23, since they were impacted by an unrealized net loss of USD 8.9 million on Standard Supply AS and Dolphin Drilling AS reflecting the respective share price development.

The operating (loss) / profit and (loss) / profit before tax for the three months are presented on the interim condensed statement of comprehensive income on page 7.

### LIQUIDITY AND CAPITAL STRUCTURE

The available cash position of the Company as of 31 March 2024 was USD 34,1 million (excluding cash held by subsidiaries).

During the three months of 2024, net cash used in operating activities was USD 14,8 million and net cash generated from investing activities was USD 23,5 million.

As of 31 March 2024, the Company had 1 835 shareholders.

The share price as of 31 March 2024 was NOK 1,72 (USD 0,159).

### PRINCIPLE RISK AND UNCERTAINTIES

The Company's activities are exposed to the overall economic environment as well as regulatory, market, political and other financial risks associated with the market in which the specific investments are held, as disclosed in Note 3 of the annual report and financial statements for the year ended 31 December 2023.

The management of the Company has established and implemented sufficient systems and procedures to monitor the markets it has invested into and stay alert to changes in the marketplace in order to help mitigate any financial and operational risks in a timely manner.

### OUTLOOK

The objective of the Company is to generate significant medium to long-term capital growth. The main focus of the Company is in the oil-service industry and other liquid investments within the energy, transport and commodities, although the Company will pursue any attractive investment opportunities that may arise within the framework of industries it operates.

## FIRST QUARTER MANAGEMENT REPORT 2024 (CONTINUED)

The Company has a sound financial position with no debt and the Board of Directors believe that the Company is well positioned to take advantage of opportunities that may appear in markets the Company operates within. The Company aims to achieve solid returns over time at attractive risk levels.

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*On Behalf of the Board of Directors of  
S.D. Standard ETC Plc.*

*15 May 2024*

*Martin Nes  
Chairman*

*Christos Neokleous  
CFO*

INTERIM CONDENSED STATEMENT  
OF COMPREHENSIVE INCOME  
FOR THE PERIOD ENDED 31 MARCH 2024

<i>(Amounts in USD 000)</i>	Note	<b>Three Months Ended</b>	
		<b>2024</b> <b>Q1</b>	2023 Q1
		<i>Unaudited</i>	<i>Unaudited</i>
<b>Income</b>			
Changes in fair value on financial assets at fair value through profit or loss	4.1	(34 984)	451
Changes in fair value on financial assets at fair value through profit or loss – held for trading	4.2	2 581	(263)
Dividend income on financial assets at fair value through profit or loss	5	26 102	977
Interest income from cash balance at amortised cost		1 020	531
Net foreign currency gains / (losses)		(500)	43
<b>Total net (loss) / income</b>		<b>(5 781)</b>	1 739
<b>Expenses</b>			
Administration and operating expenses	11	(207)	(436)
<b>Total operating expenses</b>		<b>(207)</b>	(436)
<b>Operating (loss) / profit</b>		<b>(5 988)</b>	1 303
<b>Finance costs</b>			
Sundry finance (expenses)/income		(1)	(8)
<b>(Loss) / profit for the period before tax</b>		<b>(5 989)</b>	1 295
Income tax expense	6	(68)	(34)
<b>(Loss) / profit for the period after tax</b>		<b>(6 057)</b>	1 261
<b>Other comprehensive income for the period</b>		-	-
<b>Total comprehensive (loss) / income for the period</b>		<b>(6 057)</b>	1 261
<b>Earnings per share</b>			
Basic earnings per share (USD)	3	(0,01)	0,00
Diluted earnings per share (USD)	3	(0,01)	0,00



INTERIM CONDENSED STATEMENT  
OF FINANCIAL POSITION  
AT 31 MARCH 2024

<i>(Amounts in USD 000)</i>	Note	<b>31.03.2024</b>	<b>31.12.2023</b>
<b>ASSETS</b>		<i>Unaudited</i>	<i>Audited</i>
Financial assets at fair value through profit or loss	4.1	45 989	80 973
<b>Total non-current assets</b>		<b>45 989</b>	<b>80 973</b>
Receivables and prepayments	7	580	610
Financial assets at fair value through profit or loss held for trading	4.2	36 498	21 713
Loans receivable from related parties – at fair value through profit or loss	12.2	19 325	16 081
Cash and bank balances		34 118	25 523
<b>Total current assets</b>		<b>90 521</b>	<b>63 927</b>
<b>Total Assets</b>		<b>136 510</b>	<b>144 900</b>
<b>EQUITY AND LIABILITIES</b>			
Ordinary shares	8	15 734	15 734
Other paid-in equity		686	715
Accumulated profits		119 876	125 933
<b>Total equity</b>		<b>136 296</b>	<b>142 382</b>
Trade and other payables	9	146	2 471
Current tax liability		68	47
<b>Total current liabilities</b>		<b>214</b>	<b>2 518</b>
<b>Total Equity and Liabilities</b>		<b>136 510</b>	<b>144 900</b>

On Behalf of the Board of Directors of  
S.D. Standard ETC Plc.

Martin Nes  
Chairman

Christos Neokleous  
CFO

INTERIM CONDENSED STATEMENT  
OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 31 MARCH 2024

<i>(Amounts in USD 000)</i>	Share Capital	Other paid-in equity	Accumulated Profits/(Losses)	Total
<b>Balance at 01.01.2023</b>	<b>15 734</b>	<b>526</b>	<b>123 342</b>	<b>139 602</b>
<b>Comprehensive income</b>				
Profit for the period	-	-	1 261	1 261
Option and share program (note 13)	-	39	-	39
<b>Balance at 31.03.2023 (unaudited)</b>	<b>15 734</b>	<b>565</b>	<b>124 603</b>	<b>140 902</b>
<b>Balance at 01.01.2024</b>	<b>15 734</b>	<b>715</b>	<b>125 933</b>	<b>142 382</b>
<b>Comprehensive income</b>				
Loss for the period	-	-	(6 057)	(6 057)
Option and share program (note 13)	-	(29)	-	(29)
<b>Balance at 31.03.2024 (unaudited)</b>	<b>15 734</b>	<b>686</b>	<b>119 876</b>	<b>136 296</b>

INTERIM CONDENSED STATEMENT  
OF CASH FLOWS  
FOR THE PERIOD ENDED 31 MARCH 2024

<i>(Amounts in USD 000)</i>	Note	Three Months Ended	
		2024	2023
		Q1	Q1
		<i>Unaudited</i>	<i>Unaudited</i>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
(Loss) / profit for the period before income tax		(5 989)	1 295
Unrealised exchange loss / (profit)		500	(43)
Interest income		(1 020)	(531)
Dividend Income	5	(26 102)	(977)
Fair value loss / (gain) in financial assets fair value through profit or loss	4.1	34 984	(451)
(Gain) / loss in financial assets fair value through profit or loss – held for trading	4.2	(2 581)	263
Option and share program	13	(60)	117
<b>CHANGES IN WORKING CAPITAL</b>			
Payments to financial assets at fair value through profit or loss held for trading	4.2	(15 501)	(30 248)
Receipts from financial assets at fair value through profit or loss held for trading	4.2	3 297	24 250
Decrease / (increase) in receivables and prepayments	7	30	(332)
(Decrease) / increase in trade and other payables	9	(2 325)	(62)
<b>Net cash used in operating activities</b>		<b>(14 767)</b>	<b>(6 719)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Dividends received – net of withholding tax	5	26 102	967
Interest received		140	515
Loans granted to related companies	12.2	(14 572)	(5 500)
Receipts from loans granted to related companies	12.2	11 800	-
<b>Net cash generated from / (used in) investing activities</b>		<b>23 470</b>	<b>(4 018)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>		<b>8 703</b>	<b>(10 737)</b>
Cash and cash equivalents at beginning of year		25 523	46 251
Effect of exchange rate changes on the balance of cash held in foreign currencies		(108)	(36)
Cash and cash equivalents at end of year		34 118	35 478

## NOTES TO THE FINANCIAL INFORMATION

### NOTE 1 – INCORPORATION AND PRINCIPAL ACTIVITIES

#### Country of Incorporation

S.D. Standard ETC Plc (the “Company”) is a limited liability Company incorporated and domiciled in Cyprus on 2 December 2010 in accordance with the provisions of the Cyprus Companies Law, Cap. 113. The Company was renamed from S.D. Standard Drilling Plc to S.D. Standard ETC Plc in January 2022 through a decision by its shareholders. The Company was converted into a public company on 23 December 2010. On 25 March 2011 the Company’s shares were listed on Oslo Axess and on 31 May 2017 on Oslo Bors. The address of the Company’s registered office is Chrysanthou Mylona 1, Panayides Building, 2<sup>nd</sup> floor, Office 3, 3030, Limassol, Cyprus.

#### Principal Activities

The principal activity of the Company is to invest directly or indirectly into companies, securities, commodities and/or assets. The objective of the Company is to generate significant medium to long term capital growth. The main focus of the Company has previously been on the Rig, PSV and VLCC tanker markets, however, is now focusing on more diversified and liquid investment portfolio within the energy, transport and commodities markets, although the Company will pursue any attractive investment opportunities that may arise within the framework of industries it operates.

### NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

#### Basis of Preparation

The interim condensed financial statements for the three months ended 31 March 2024, have been prepared in accordance with International Accounting Standard 34 “Interim Financial Reporting”. The interim condensed financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2023. The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2022 which have been prepared in accordance with IFRS as adopted in the (EU) and the requirements of the Cyprus Companies Law, Cap. 113.

In the current period the Company has adopted all the new and revised standards and Interpretations issued by the International Accounting Standards Board (the IASB) and the International Financial Reporting Interpretations Committee (the IFRIC) of the IASB that are relevant to its operations and effective for annual periods beginning on 1 January 2024.

At the date of approval of these interim condensed financial statements, a number of accounting standards and interpretations were issued by the International Accounting Standards Board but were not yet effective. The effect and impact of those standards is not expected to be material to the Company.

#### Going Concern

These interim condensed financial statements for the three months ended 31 March 2024, have been prepared under the assumption that the Company is going concern.

### NOTE 3 – EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

<i>(Amounts in USD 000)</i>	Three Months Ended	
	31.03.2024	31.03.2023
<b>Basic/diluted EPS</b>		
(Loss) profit attributable to equity holders of the Company	(6 057)	1 261
Weighted average number of ordinary shares in issue (thousands)	524 483	524 483
Weighted average number of ordinary shares diluted (thousands)	530 010	527 652
<b>Basic earnings per share (USD)</b>	<b>(0,01)</b>	<b>0,00</b>
<b>Diluted earnings per share (USD)</b>	<b>(0,01)</b>	<b>0,00</b>

## NOTES TO THE FINANCIAL INFORMATION

### NOTE 4 – FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS

#### 4.1 Investments at fair value through profit or loss

<i>(Amounts in USD 000)</i>	<b>31.03.2024</b>	<b>31.12.2023</b>
Balance at 1 January	80 973	87 762
Additions	-	6 905
Sales/Reduction	-	-
Changes in fair value	(34 984)	(13 694)
<b>Balance at the end of the period / year (note 10.1)</b>	<b>45 989</b>	<b>80 973</b>

Investments designated at fair value through profit or loss are analysed as follows:

Name of Investment	Principal activity	Place of establishment and principal place of business	Proportion of ownership/ interest held	
			<b>31.03.2024</b>	<b>31.12.2023</b>
Standard Supply AS	Platform Supply Vessels	Norway	53%	53%
Dolphin Drilling AS	Drilling operations	Norway	19%	19%
Standard Invest AS	Provision of services	Norway	100%	100%

The above investments are measured at fair value.

During the three months of the year 2024, no transactions took place with investments apart from those disclosed above and in note 12.

<i>(Amounts in USD 000)</i>	<b>31.03.2024</b>	<b>31.03.2023</b>
<i>Other net changes in fair value on financial assets at fair value through profit or loss</i>		
Realised (losses)/gains	-	-
Unrealised change	(34 984)	451
<b>Total net (losses) / gains</b>	<b>(34 984)</b>	<b>451</b>
Other net changes in fair values on assets designated at fair value through profit or loss	(34 984)	451
<b>Total net (losses) / gains</b>	<b>(34 984)</b>	<b>451</b>

#### 4.2 Investments held for trading

<i>(Amounts in USD 000)</i>	<b>31.03.2024</b>	<b>31.12.2023</b>
Balance at 1 January	21 713	5 746
Additions	15 501	67 067
Disposals	(3 297)	(52 752)
Changes in fair value	2 581	1 652
<b>Balance at the end of the year</b>	<b>36 498</b>	<b>21 713</b>

During the three months of the year 2024, the Company invested USD 15,5 million for the acquisition of securities listed on the US and Oslo Stock Exchange as well as unlisted securities, some of which were disposed realizing a profit of USD 606 thousands. As of 31 March 2024, investments held for trading had a fair value of USD 36,5 million.

All investments traded in active markets are valued based on quoted prices and are classified as level 1, whereas those unlisted investments are classified as level 2.

## NOTES TO THE FINANCIAL INFORMATION

### NOTE 5 – DIVIDEND INCOME ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

During the three months of the year 2024, the Company received from its subsidiary Standard Supply AS dividends amounting to USD 26,1 million (Q1 2023: USD 943 thousands).

In addition, the Company received dividends of USD 37 thousands from its financial assets held for trading.

### NOTE 6 – INCOME TAX EXPENSE

<i>(Amounts in USD 000)</i>	31.03.2024	31.03.2023
<b>Current tax:</b>		
Prior year corporation tax	68	24
Withholding tax on dividend income	-	10
<b>Total current tax</b>	<b>68</b>	<b>34</b>

### NOTE 7 – RECEIVABLES AND PREPAYMENTS

<i>(Amounts in USD 000)</i>	31.03.2024	31.12.2023
Tax refund on dividends received	249	249
Accrued interest receivable	272	320
VAT refundable	20	10
Prepayments	39	31
<b>Total trade and other receivables at the end of the period</b>	<b>580</b>	<b>610</b>

The fair value of trade and other receivables due within one year approximate to their carrying amounts as presented above.

### NOTE 8 – SHARE CAPITAL AND PREMIUM

<b>Authorised</b>	<b>Number of shares (thousands)</b>	<b>Ordinary shares</b>	<b>Total</b>
<i>(Amounts in USD 000)</i>			
<b>2024</b>			
Balance at the beginning of the year	865 000	25 950	<b>25 950</b>
<b>Balance at the end of the period</b>	<b>865 000</b>	<b>25 950</b>	<b>25 950</b>
<b>2023</b>			
Balance at the beginning of the year	865 000	25 950	<b>25 950</b>
<b>Balance at the end of the year</b>	<b>865 000</b>	<b>25 950</b>	<b>25 950</b>
<b>Issued and fully paid</b>	<b>Number of shares (thousands)</b>	<b>Ordinary shares</b>	<b>Total</b>
<i>(Amounts in USD 000)</i>			
<b>2024</b>			
Balance at the beginning of the year	524 483	15 734	15 734
<b>Balance at the end of the period</b>	<b>524 483</b>	<b>15 734</b>	<b>15 734</b>
<b>2023</b>			
Balance at the beginning of the year	524 483	15 734	15 734
<b>Balance at the end of the year</b>	<b>524 483</b>	<b>15 734</b>	<b>15 734</b>

As of 31 March 2024, the Company didn't hold any own shares.

## NOTES TO THE FINANCIAL INFORMATION

### NOTE 9 – TRADE AND OTHER PAYABLES

<i>(Amounts in USD 000)</i>	<b>31.03.2024</b>	<b>31.12.2023</b>
Creditors and accrued expenses	44	69
Amount due for investments acquired	-	1 995
Amounts due to related parties (note 12.1)	-	274
Provision social security option program (note 13)	102	133
<b>Total trade and other payables at the end of the period at amortised cost</b>	<b>146</b>	<b>2 471</b>

The fair value of trade and other payables which are due within one year approximates their carrying amount at the balance sheet date.

### NOTE 10 – FAIR VALUE MEASUREMENTS

**10.1** The table below analyses financial instruments carried at fair value by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The following tables present the Company's fair value hierarchy of the financial assets that are measured at fair value:

<i>(Amounts in USD 000)</i>	Level 1	Level 2	Level 3	Total
<b>At 31 March 2024</b>				
<b>Assets</b>				
Financial Assets through profit or Loss				
- Financial assets at fair value through profit or loss (note 4.1)	45 874	-	-	45 874
- Financial assets at fair value through profit or loss-held for trading – equity securities (note 4.2)	12 257	4 975	-	17 232
- Financial assets at fair value through profit or loss- debt securities/loans receivable (note 4.2 and 12.2)	-	33 778	-	33 778
- Financial assets at fair value through profit or loss-held for trading – investment in Fund (note 4.2)	-	4 813	-	4 813
<b>Total financial assets measured at fair value</b>	<b>58 131</b>	<b>43 566</b>	<b>-</b>	<b>101 697</b>
<b>At 31 December 2023</b>				
<b>Assets</b>				
Financial Assets through profit or Loss				
- Financial assets at fair value through profit or loss (note 4.1)	80 858	-	-	80 858
- Financial assets at fair value through profit or loss-held for trading – equity securities (note 4.2)	2 214	4 625	-	6 839
- Financial assets at fair value through profit or loss – debt securities/loans receivable (notes 4.2 and 12.2)	-	26 377	-	26 377
- Financial assets at fair value through profit or loss-held for trading – investment in Fund (note 4.2)	-	4 578	-	4 578
<b>Total financial assets measured at fair value</b>	<b>83 072</b>	<b>35 580</b>	<b>-</b>	<b>128 652</b>

#### **10.2** Valuation processes

a) Investment in Standard Supply AS, Dolphin Drilling AS and traded equity securities (Level 1)

The fair values of securities that are quoted in active markets are determined by the traded share prices. For the investments in Standard Supply AS and Dolphin Drilling AS, the fair value was determined based on the traded share price on Euronext Growth Oslo as of 31 March 2024.

b) Investment in Fund, debt securities and unlisted equity securities (Level 2)

(i) The fair values of interests in investment funds, are determined by using the net asset value (“NAV”) of the fund as calculated by the independent fund administrators and this is considered to be the market value as the fund shares are redeemable by the fund at NAV in any need.

## NOTES TO THE FINANCIAL INFORMATION

### NOTE 10 – FAIR VALUE MEASUREMENTS (CONTINUED)

#### 10.2 Valuation processes (continued)

- (ii) The fair values for debt securities have been determined by using the traded security price as of 31 March 2024. The fair values for loans receivable from related parties have been determined based on their carrying amount due to their short-term nature.
- (iii) The fair values of unlisted equity securities that are traded over the counter, are determined by the initial cost price adjusted by an indexation factor of the fluctuations of the share price of listed comparable companies from the date of acquisition up to the balance sheet date.

### NOTE 11 – ADMINISTRATIVE AND OPERATING EXPENSES

<i>(Amounts in USD 000)</i>	<b>31.03.2024</b>	<b>31.03.2023</b>
Legal, consulting and professional fees	25	29
Management fees from related company (note 12.1)	30	30
Service fees from subsidiary company (note 12.1)	111	119
Other expenses	33	59
Transactions costs for trading in shares	10	24
Accrual option program (note 13)	(29)	39
Provision social security option program (note 13)	(31)	78
Directors' fees, salaries and other short-term employee benefits	58	58
<b>Total administrative and operating expenses</b>	<b>207</b>	<b>436</b>

### NOTE 12 – RELATED-PARTY TRANSACTIONS

#### 12.1 Provision of services

The following transactions were carried out with related parties and are included in the operating expenses of the period:

<i>(Amounts in USD 000)</i>	<b>Nature of transactions</b>	<b>31.03.2024</b>	<b>31.03.2023</b>
Ferncliff TIH AS *	Management fees	30	30
Ferncliff TIH AS *	Consulting services	-	-
Standard Invest AS	Service fees	111	119
<b>Total</b>		<b>141</b>	<b>149</b>

\* Ferncliff TIH AS holds 100% of the issued share capital of Ferncliff Listed Dai AS, the major shareholder of the Company.

- a) The Company has entered into a consultancy agreement with Ferncliff TIH AS whereby Ferncliff TIH AS provides certain management services to the Company. Fees paid under this agreement for the three months ended 31 March 2024 amounted to USD 30 thousands (Q1 2023: USD 30 thousands).
- b) In 2021 the Company entered into a services agreement with its wholly owned subsidiary Standard Invest AS, whereby Standard Invest AS provides portfolio management services to the Company. Fees paid under this agreement for the three months ended 31 March 2024 amounted to USD 111 thousands (Q1 2023: USD 119 thousands).

There were no balances due to related parties as at 31 March 2024.



## NOTES TO THE FINANCIAL INFORMATION

### NOTE 12 – RELATED-PARTY TRANSACTIONS (CONTINUED)

#### 12.2 Related party loans – at fair value through profit or loss

<i>(Amounts in USD 000)</i>	Nature of transactions	31.03.2024	31.12.2023
Dolphin Drilling AS	Loan facility	8 297	8 090
Fernclyff Opportunities AS**	Revolving credit facility	11 028	7 991
<b>Total</b>		<b>19 325</b>	<b>16 081</b>

\*\* Fernclyff Opportunities AS and Fernclyff Listed Dai AS, the major shareholder of the Company, are both part of the Fernclyff TIH AS group.

- a) In March 2023, the Company entered into a shareholder bridge loan facility agreement with the associate Dolphin Drilling AS for the granting of an unsecured bridge loan facility of an amount up to USD 7,5 million, at an interest rate of 8,5%, a 3% exit fee on total drawings made and with final repayment date on 31 May 2024. During the year 2023, the Company disbursed the amount of USD 7,5 million in two tranches. In February 2024, an addendum was signed with the associate, extending the existing bridge loan facility final repayment date to 31 May 2025 and also providing the possibility of earlier repayment after 31 May 2024.
- b) In June 2022, the Company concluded a revolving credit facility ("RCF") with its subsidiary Standard Supply AS ("subsidiary") for the amount of USD 20 million at a margin of 5%, an upfront fee of 0.75% and maturity on 31 December 2024. The amounts provided under the RCF during 2022 and 2023 were settled before the respective year ends. In February 2024, the Company provided under the RCF to its subsidiary the amount of USD 11,8 million which was settled in March 2024.
- c) In November 2023, the Company entered into an agreement with Fernclyff Opportunities AS, to provide an unsecured loan for the amount of USD 7,9 million at an interest rate of 12%. In March 2024, the Company provided an additional amount of USD 2,8 million, as part of the unsecured loan concluded in November 2023. The loan has been used to finance an investment of Fernclyff Opportunities AS and is repayable on 30 September 2024 or earlier in case the investment is sold.

#### 12.3 Dividend income

During the three months of the year 2024, the Company received from its subsidiary Standard Supply AS dividends amounting to USD 26,1 million (Q1 2023: USD 943 thousands).

The Company had no transactions with shareholders or other related parties other than those disclosed above.

## NOTES TO THE FINANCIAL INFORMATION

### NOTE 13 – OPTION AND SHARE PROGRAM

An equity settled option and share program was initiated by the Company in January 2022 towards a certain key employee of the subsidiary Standard Invest AS, granting the employee the option to purchase 10 000 000 shares of the Company on the date falling 18 months after 1 August 2021 and 10 000 000 shares on the date falling 30 months after 1 August 2021 at the strike prices of NOK1,25 and NOK 1,40 respectively. Total estimated fair value of the option at the grant date was calculated in Q1 2022 to USD 1,1 million. The Company has recognized the amount of USD 686 thousands as an expense with a corresponding increase in equity and a provision for social security cost of the option program of USD 102 thousands from the grant date up to 31 March 2024.

The vesting periods of the current program end in the period between 20 January 2023 and 30 January 2024. At initial recognition, the fair value of the options, as estimated by the Black-Scholes model, are straight-lined through the vesting period as administration expenses with corresponding entry against other paid in equity. Since the options are equity settled, no subsequent measurement is required under IFRS. As of 31 March 2024, no options have been exercised.

The following are the amounts expensed to income statement for the nine months ended 31 March 2024:

<i>(Amounts in USD 000)</i>	<b>31.03.2024</b>	<b>31.03.2023</b>
Expenses arising from equity-settled share-based payment transactions	(29)	39
Social security reserves for equity-settled share-based payment transactions*	(31)	78
<b>Total expenses arising from share-based payment transactions</b>	<b>(60)</b>	<b>117</b>

\*Social security expenses are accrued if the options are in the money and the accrual for social security expenses will be updated quarterly, based on the development in the share price. An increase in share price, will increase the value of the options, hence increase the social security expenses, whereas a decrease in share price will reduce the reserves, creating an income.

### NOTE 14 – APPROVAL OF INTERIM CONDENSED FINANCIAL STATEMENTS

These interim condensed financial statements have been approved by the Board of Directors of the Company on 15 May 2024.

# S.D. Standard ETC Plc

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## Financial Calendar (Release of Financial Reports)

Q1 2024	16 May 2024
Q2 2024	8 August 2024
Q3 2024	7 November 2024
Q4 2024	13 February 2025

## S.D. Standard ETC Plc

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