

S.D. STANDARD ETC PLC

FIRST QUARTER REPORT 2025



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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 2025 we confirm that, to the best of our knowledge:

- a) The interim condensed financial statements of the Company for the twelve months ended 31 March 2025 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, 14 May 2025

Martin Nes
Chairman

Konstantinos Pantelidis
Independent Director

George Crystallis
Independent Director

Christos Neokleous
Chief Financial Officer

Evangelia Panagide
General Manager

First Quarter Management Report 2025

Selected Financial Information

	Three Months Ended	
	2025 Q1	2024 Q1
(Amounts in USD 000)	Unaudited	Unaudited
Operating loss	(6 810)	(5 988)
Loss for the period before tax	(6 822)	(5 989)
Total comprehensive loss for the period	(6 822)	(6 057)

(*) Analytical statement of comprehensive income 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 2025 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. The shares held in Dolphin Drilling AS were sold in March 2025 and the respective fair value loss was recognized. Consequently, the Company's investment in Standard Supply AS is valued based on the traded share price on Euronext Growth Oslo as of 31 March 2025.

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 2025 are considered immaterial.

Highlights First Quarter

1. The Company recognized a fair value loss on its financial assets of USD 11,3 million in Q1 2025. This loss is made up of a realized loss of USD 11,3 million arising from the sale of the shares held in Dolphin Drilling AS and an unrealized profit of USD 59 thousands reflecting the respective share price development of Standard Supply AS during the quarter. The market value of the investment in Standard Supply AS as of 31 March 2024 was USD 2,1 million.
2. In Q1 2025, the Company recognised a gain from the revaluation of other financial assets held for trading of USD 10,7 million. The fair value of the financial assets held for trading as of 31 March 2025 was USD 33,2 million.
3. In March 2025, the Company sold the shareholder bridge loan facility provided to Dolphin Drilling AS in March 2023, realizing a loss of USD 6,9 million.
4. In addition, interest income for Q1 2025 earned mainly from the ETC portfolio which includes debt securities and loans receivable, was USD 1,3 million.

First Quarter Management Report 2025 (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 2025 Report, their definition and calculation are provided below, as well as a reference to the respective pages of Q1 2025 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 2025 Report – Interim Condensed Statement of Comprehensive Income on page 7
Profit / (Loss) before tax	Operating profit less finance costs	
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:

In March 2025, Saga Pure ASA (“Saga Pure”) acquired 75 125 280 shares in the Company representing 14,32% holding. Following the acquisition, Saga Pure and Ferncliff Listed DAI held consolidated ownership of approximately 44.05% of the total outstanding shares in the Company.

On 7 April 2025, Saga Pure presented a mandatory offer for all remaining shares in the Company for NOK 1.90 per share in cash. The mandatory offer expired on 5 May 2025 and following that Saga Pure holds 306 096 939 shares in the Company representing 58,36%. As a result, Saga Pure and Ferncliff Listed DAI jointly hold 462 015 048 shares representing approximately 88.1% of the total outstanding shares in the Company.

FIRST QUARTER MANAGEMENT REPORT 2025 (CONTINUED)

RESULTS FOR THE FIRST QUARTER 2025

The operating loss for the three months ended on 31 March 2025 was USD 6,8 million compared to the three months ended 31 March 2024 loss of USD 6 million.

The operating loss includes a fair value loss on revaluation of financial assets of USD 11,3 million (compared to an unrealized loss of USD 34,9 million in Q1 24), a fair value gain of USD 10,7 million from investments held for trading (compared to a fair value gain of USD 2,6 million in Q1 24), a fair value loss of USD 6,9 million from the sale of a related party loan, dividend income of USD 125 thousand (compared to USD 26,1 million in Q1 24), interest income of USD 1,3 million (compared to USD 1 million in Q1 24) and is after deducting a net foreign currency loss of USD 52 thousands (compared to USD 500 thousands in Q1 24), administration expenses of USD 728 thousands (compared to USD 207 thousands in Q1 25) and finance expenses of USD 12 thousands. Loss per share was USD 0,01 for the Quarter.

The Company's results for the three months of the year 2025 were impacted by two significant transactions related to the investment in Dolphin Drilling AS ("Dolphin").

In March 2025, the Company took the strategic decision to sell the shares held in Dolphin for a price of USD 5,1 million, as well as to sell the shareholder loan provided to Dolphin in March 2023 for USD 2,25 million. The total loss incurred by the Company from the above transactions was USD 18,2 million which includes the fair value loss of Dolphin up to the date of sale. More information on these transactions is provided in notes 4.1 and 12.2 .

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 2025 was USD 65,8 million (excluding cash held by subsidiaries).

During the three months of 2025, net cash generated from operating activities was USD 24,7 million, net cash generated from investing activities was USD 702 thousands and net cash used in financing activities USD 359 thousands.

As of 31 March 2025, the Company had 1 389 shareholders.

The share price as of 31 March 2025 was NOK 1,882 (USD 0,178).

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 2024.

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 in a sustainable manner. The Company is an investment entity with a special focus on energy, transport and commodities segments, with direct or indirect exposure into companies, securities and / or assets, although the Company will pursue any attractive investment opportunities that may arise within the framework of industries it operates.

FIRST QUARTER MANAGEMENT REPORT 2025 (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.

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

14 May 2025

*Martin Nes
Chairman*

*Christos Neokleous
CFO*

INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 MARCH 2025

		<u>Three Months Ended</u>	
		2025	2024
<i>(Amounts in USD 000)</i>	Note	Q1	Q1
		<i>Unaudited</i>	<i>Unaudited</i>
Income			
Changes in fair value on financial assets at fair value through profit or loss	4.1	(11 271)	(34 984)
Changes in fair value on financial assets at fair value through profit or loss – held for trading	4.2	10 743	2 581
Changes in fair value on financial assets through profit or loss - loan receivable	12.2	(6 890)	-
Dividend income on financial assets at fair value through profit or loss	5	125	26 102
Interest income		1 263	1 020
Net foreign currency losses		(52)	(500)
Total net loss		(6 082)	(5 781)
Expenses			
Administration and operating expenses	11	(728)	(207)
Total operating expenses		(728)	(207)
Operating loss		(6 810)	(5 988)
Finance costs			
Sundry finance expenses		(12)	(1)
Loss for the period before tax		(6 822)	(5 989)
Income tax expense	6	-	(68)
Loss for the period after tax		(6 822)	(6 057)
Other comprehensive income for the period		-	-
Total comprehensive loss for the period		(6 822)	(6 057)
Earnings per share			
Basic earnings per share (USD)	3	(0,01)	(0,01)
Diluted earnings per share (USD)	3	(0,01)	(0,01)

INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION AT 31 MARCH 2025

<i>(Amounts in USD 000)</i>	Note	31.03.2025	31.12.2024
ASSETS		<i>Unaudited</i>	<i>Audited</i>
Financial assets at fair value through profit or loss	4.1	2 140	18 306
Total non-current assets		2 140	18 306
Financial assets at amortised cost	7.1	8 794	3 101
Other non-financial assets	7.2	307	297
Financial assets at fair value through profit or loss held for trading	4.2	33 190	46 212
Loans receivable from related parties – at fair value through profit or loss	12.2	-	8 950
Cash and bank balances		65 751	40 732
Total current assets		108 042	99 292
Total Assets		110 182	117 598
EQUITY AND LIABILITIES			
Ordinary shares	8	15 734	15 734
Other paid-in equity		347	708
Retained earnings		93 624	100 446
Total equity		109 705	116 888
Trade and other payables	9	477	710
Current tax liability		-	-
Total current liabilities		477	710
Total Equity and Liabilities		110 182	117.598

*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 2025

<i>(Amounts in USD 000)</i>	Share Capital	Other paid- in equity	Retained Earnings	Total
Balance at 01.01.2024	15 734	715	125 933	142 382
Comprehensive income				
Loss for the period	-	-	(6 057)	(6 057)
Option and share program (note 13)	-	(29)	-	(29)
Balance at 31.3.2024 (Unaudited)	15 734	686	119 876	136 296
 Balance at 01.01.2025	 15 734	 708	 100 446	 116 888
Comprehensive income				
Loss for the period	-	-	(6 822)	(6 822)
Option and share program (note 13)	-	(361)	-	(361)
Balance at 31.3.2025 (Unaudited)	15 734	347	93 624	109 705

INTERIM CONDENSED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 MARCH 2025

		Three Months Ended	
		2025	2024
		Q1	Q1
<i>(Amounts in USD 000)</i>			
	Note	Unaudited	Unaudited
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss for the period before income tax		(6 822)	(5 989)
Unrealised exchange loss		52	500
Interest income		(1 263)	(1 020)
Dividend Income	5	(125)	(26 102)
Fair value loss in financial assets fair value through profit or loss	4.1	11 271	34 984
Gain in financial assets fair value through profit or loss – held for trading	4.2	(10 743)	(2 581)
Changes in fair value on financial assets through profit or loss-loan receivable from related parties	12.2	6 890	-
Option and share program	13	25	(60)
CHANGES IN WORKING CAPITAL			
Payments to acquire financial assets at fair value through profit or loss held for trading	4.2	(3 707)	(15 501)
Receipts from disposal of financial assets at fair value through profit or loss held for trading	4.2	30 845	3 297
(Increase) / decrease in receivables and prepayments	7	(9 076)	30
Increase / (decrease) in trade and other payables	9	111	(2 325)
Dividends received – net of withholding tax	5	125	26 102
Receipts from sale of financial assets	4.1	4 895	-
Receipts from loans granted to related companies	12.2	2 250	11 800
Loans granted to related companies	12.2	-	(14 572)
Net cash generated from operating activities		24 728	8 563
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		702	140
Net cash generated from investing activities		702	140
CASH FLOWS FROM FINANCING ACTIVITIES			
Exercise of share options	13	(359)	-
Net cash used in financing activities		(359)	-
Net increase in cash and cash equivalents		25 071	8 703
Cash and cash equivalents at beginning of year		40 732	25 523
Effect of exchange rate changes on the balance of cash held in foreign currencies		(52)	(108)
Cash and cash equivalents at end of the period		65 751	34 118

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, 2nd floor, Office 3, 3030, Limassol, Cyprus.

Principal Activities

The principal activity of the Company is to operate as an investment entity with a special focus on energy, transport and commodities segments, with direct or indirect exposure into companies, securities and/or assets.

The Company’s strategy is to invest in energy, transport and commodities markets, although the Company will pursue any attractive investment opportunities that may arise within the framework of industries it operates. The objective of the Company is to generate significant medium to long-term capital growth in a sustainable manner.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

The interim condensed financial statements for the three months ended 31 March 2025, 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 2024. The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2024 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 2025.

Going Concern

These interim condensed financial statements for the three months ended 31 March 2025, 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.

	Three Months Ended	
	31.03.2025	31.03.2024
<i>(Amounts in USD 000)</i>		
Basic/diluted EPS		
Loss attributable to equity holders of the Company	(6 822)	(6 057)
Weighted average number of ordinary shares in issue (thousands)	524 483	524 483
Weighted average number of ordinary shares diluted (thousands)	526 714	530 010
Basic earnings per share (USD)	(0,01)	(0,01)
Diluted earnings per share (USD)	(0,01)	(0,01)

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>	31.03.2025	31.12.2024
Balance at 1 January	18 306	80 973
Additions	-	4 536
Sales/Reduction	(4 895)	-
Changes in fair value	(11 271)	(67 203)
Balance at the end of the period / year (note 10.1)	2 140	18 306

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	
			31.03.2025	31.12.2024
Standard Supply AS	Platform Supply Vessels	Norway	53%	53%
Dolphin Drilling AS	Drilling operations	Norway	0%	19%
Standard Invest AS	Provision of services	Norway	100%	100%

The above investments are measured at fair value.

In March 2025, the Company sold the 49,784,706 shares held in Dolphin Drilling AS through an accelerated bookbuilding process offering (the “Placing”) at a price of NOK 1.1 per share for a total transaction size of approximately NOK 54,8 million (USD 5,1 million). The transaction resulted in a realized loss of USD 11,3 million.

<i>(Amounts in USD 000)</i>	31.03.2025	31.03.2024
<i>Other net changes in fair value on financial assets at fair value through profit or loss</i>		
Realised (losses)/gains	(11 330)	-
Unrealised change	59	(34 984)
Total net losses	(11 271)	(34 984)
Other net changes in fair values on assets designated at fair value through profit or loss	(11 271)	(34 984)
Total net losses	(11 271)	(34 984)

4.2 Investments held for trading

<i>(Amounts in USD 000)</i>	31.03.2025	31.12.2024
Balance at 1 January	46 212	21 713
Additions	14 340	99 423
Disposals	(38 105)	(77 658)
Changes in fair value	10 743	2 734
Balance at the end of the period / year	33 190	46 212

During the three months of the year 2025, the Company invested USD 14,3 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 8,1 million. As of 31 March 2025, investments held for trading had a fair value of USD 33,2 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 2025, the Company received from its financial assets held for trading dividends amounting to USD 125 thousands (Q1 2024: USD 37 thousands). No dividends have been received from the subsidiary Standard Supply AS (Q1 2024: USD 26,1 million).

NOTE 6 – INCOME TAX EXPENSE

<i>(Amounts in USD 000)</i>	31.03.2025	31.03.2024
Current tax:		
Current year corporation tax	-	-
Prior year corporation tax	-	68
Withholding tax on dividend income	-	-
Total current tax	-	68

NOTE 7 – FINANCIAL AND OTHER NON-FINANCIAL ASSETS

7.1 Financial assets at amortised cost

<i>(Amounts in USD 000)</i>	31.03.2025	31.12.2024
Accrued interest receivable	364	591
Amounts due from brokers	8 430	2 510
Total financial assets at amortised cost	8 794	3 101

7.2 Other Non- financial assets

<i>(Amounts in USD 000)</i>	31.03.2025	31.12.2024
Tax refund on dividends received	249	249
VAT refundable	22	21
Prepayments	36	27
Total non-financial assets	307	297

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

Authorised	Number of shares (thousands)	Ordinary shares	Total
<i>(Amounts in USD 000)</i>			
2025			
Balance at the beginning of the year	865 000	25 950	25 950
Balance at the end of the period	865 000	25 950	25 950
2024			
Balance at the beginning of the year	865 000	25 950	25 950
Balance at the end of the period	865 000	25 950	25 950
Issued and fully paid	Number of shares (thousands)	Ordinary shares	Total
<i>(Amounts in USD 000)</i>			
2025			
Balance at the beginning of the year	524 483	15 734	15 734
Balance at the end of the period	524 483	15 734	15 734
2024			
Balance at the beginning of the year	524 483	15 734	15 734
Balance at the end of the period	524 483	15 734	15 734

As of 31 March 2025, 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>	31.03.2025	31.12.2024
Creditors and accrued expenses	71	89
Amount due for investments acquired	-	-
Amounts due to related parties (note 12.1)	342	186
Provision social security option program (note 13)	64	91
Total trade and other payables at the end of the period at amortised cost	477	366
Other provisions	-	344
Total trade and other payables at the end of the period	477	710

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
At 31 March 2025				
Assets				
Financial Assets through profit or Loss				
- Financial assets at fair value through profit or loss (note 4.1)	2 024	-	-	2 024
- Financial assets at fair value through profit or loss-held for trading – equity securities (note 4.2)	18 735	-	-	18 735
- Financial assets at fair value through profit or loss- debt securities/loans receivable (note 4.2 and 12.2)	-	14 455	-	14 455
Total financial assets measured at fair value	20 759	14 455	-	35 214
At 31 December 2024				
Assets				
Financial Assets through profit or Loss				
- Financial assets at fair value through profit or loss (note 4.1)	18 190	-	-	18 190
- Financial assets at fair value through profit or loss-held for trading – equity securities (note 4.2)	31 840	-	-	31 840
- Financial assets at fair value through profit or loss – debt securities/loans receivable (notes 4.2 and 12.2)	-	14 372	8 950	23 322
Total financial assets measured at fair value	50 030	14 372	8 950	73 352

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 investment in Standard Supply AS, the fair value was determined based on the traded share price on Euronext Growth Oslo as of 31 March 2025.

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

- 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)

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

- (ii) The fair values for debt securities have been determined by using the traded security price as of 31 March 2025. The fair values for loans receivable from related parties have been determined based on their carrying amount due to their short-term nature.

c) Debt securities – Notes receivable (Level 3)

The fair values for loans receivable from related parties (Note 12) have been determined based on their carrying amount due to their short-term nature.

NOTE 11 – ADMINISTRATIVE AND OPERATING EXPENSES

<i>(Amounts in USD 000)</i>	31.03.2025	31.03.2024
Legal, consulting and professional fees	62	25
Management fees from related company (note 12.1)	30	30
Service fees from subsidiary company (note 12.1)	106	111
Other expenses	69	33
Transactions costs for trading in shares	37	10
Option program additional cash settlement cost (note 13)	342	-
Accrual option program (note 13)	(3)	(29)
Provision social security option program (note 13)	28	(31)
Directors' fees, salaries and other short-term employee benefits	57	58
Total administrative and operating expenses	728	207

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>	Nature of transactions	31.03.2024	31.03.2024
Ferncliff TIH AS *	Management fees	30	30
Standard Invest AS	Service fees	448	111
Total		478	141

* 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 2025 amounted to USD 30 thousands (Q1 2024: USD 30 thousands). As of 31 March 2025, the Company owed to Ferncliff TIH AS the amount of USD 48 thousands (Q1 2024: USD Nil).
- 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 2025 amounted to USD 106 thousands (Q1 2024: USD 111 thousands). As of 31 March 2025, the Company owed to its subsidiary the amount of USD 294 thousands (Q1 2024: USD Nil).

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	31.12.2024
Dolphin Drilling AS	Loan facility	-	8 950
Total		-	8 950

In March 2025 and in connection with the Placing referred to in note 4.1, the Company agreed to transfer all of its rights and obligations under the shareholder bridge loan facility (the "Shareholder Loan") provided to Dolphin Drilling AS in March 2023 by the Company and certain other lenders. The rights and obligations under the Shareholder Loan have been transferred to certain investors in the Placing, for consideration corresponding to 30% of the Company's principal amount of USD 7,5 million under the Shareholder Loan, i.e. USD 2,25 million. As a result, the Company recognized a total loss of USD 6,9 million since the interest charge was not recoverable as well.

12.3 Dividend income

During the three months of the year 2025, the Company received from its financial assets held for trading dividends amounting to USD 125 thousands (Q1 2024: USD 37 thousands). No dividends have been received from the subsidiary Standard Supply AS (Q1 2024: USD 26,1 million).

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

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 708 thousands as an expense with a corresponding increase in equity and a provision for social security cost of the option program of USD 91 thousands from the grant date up to 31 December 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.

In January 2025, the Board of Directors of the Company was informed of an exercise of a total of 10,000,000 share options by the employee of the subsidiary. The share options were exercised at a price of NOK 1.05 per share, which equals the original exercise price of NOK 1.25 adjusted for a dividend distribution of NOK 0.20 per share in November 2024. The Company's Board of Directors has resolved to cash settle the exercised share options and the Company paid an amount to the employee equal to the difference between the exercise price of NOK 1.05 per share and the closing share price of the Company on the 17th of January 2025 of NOK 1.71 a total of USD 777 thousand. As a result of the cash settlement, the amounts previously recognized by the Company have been adjusted to USD 347 thousands in equity and a provision for social security cost of the option program of USD 64 thousands.

As of 31 March 2025, 10 000 000 shares have not been exercised.

The following are the amounts expensed to income statement for the three months ended 31 March 2025:

<i>(Amounts in USD 000)</i>	31.03.2025	31.03.2024
Expenses arising from equity-settled share-based payment transactions	(3)	(29)
Social security reserves for equity-settled share-based payment transactions*	28	(31)
Total (income) / expenses arising from share-based payment transactions	25	(60)

*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.

NOTES TO THE FINANCIAL INFORMATION

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 14 May 2025.

S.D. Standard ETC Plc

Financial Calendar (Release of Financial Reports)

Q1 2025	14 May 2025
Q2 2025	7 August 2025
Q3 2025	6 November 2025
Q4 2025	18 February 2026

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