



## ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

### Enheten

Organisasjonsnummer: 921 499 906  
Organisasjonsform: Aksjeselskap  
Foretaksnavn: ISLAND DRILLING CREWING AS  
Forretningsadresse: Stålhaugen 9  
6065 ULSTEINVIK

### Regnskapsår

Årsregnskapets periode: 01.01.2023 - 31.12.2023

### Konsern

Morselskap i konsern: Nei

### Regnskapsregler

Regler for små foretak benyttet: Nei  
Benyttet ved utarbeidelsen av årsregnskapet til selskapet: Regnskapslovens alminnelige regler

### Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Marte S Hasund  
Dato for fastsettelse av årsregnskapet: 09.07.2024

### Grunnlag for avgivelse

År 2023: Årsregnskapet er elektronisk innlevert  
År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023

*Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.*

Brønnøysundregistrene, 09.07.2025



## Resultatregnskap

Beløp i: NOK	Note	2023	2022
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Salgsinntekt	3	164 304 453	156 176 492
Annen driftsinntekt		6	-91 489
<b>Sum inntekter</b>		<b>164 304 459</b>	<b>156 085 003</b>
<b>Kostnader</b>			
Lønnskostnad	4,5	147 666 972	141 376 073
Annen driftskostnad	4	16 700 096	14 738 820
<b>Sum kostnader</b>		<b>164 367 068</b>	<b>156 114 893</b>
<b>Driftsresultat</b>		<b>-62 609</b>	<b>-29 891</b>
<b>Finansinntekter og finanskostnader</b>			
Annen renteinntekt		134 493	32 441
Annen finansinntekt		30	134
<b>Sum finansinntekter</b>		<b>0</b>	<b>0</b>
Annen rentekostnad		68 661	617
Annen finanskostnad		3 253	2 068
<b>Sum finanskostnader</b>		<b>0</b>	<b>0</b>
<b>Netto finans</b>		<b>62 609</b>	<b>29 890</b>
<b>Resultat før skattekostnad</b>	6	<b>0</b>	<b>0</b>
<b>Årsresultat</b>		<b>0</b>	<b>0</b>



## Balanse

Beløp i: NOK	Note	2023	2022
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
Sum immaterielle eiendeler		0	0
<b>Varige driftsmidler</b>			
Sum varige driftsmidler		0	0
<b>Finansielle anleggsmidler</b>			
Sum finansielle anleggsmidler		0	0
Sum anleggsmidler		0	0
<b>Omløpsmidler</b>			
<b>Varer</b>			
Sum varer		0	0
<b>Fordringer</b>			
Kundefordringer	7	24 526 646	15 104 210
Andre fordringer		1 450 903	2 325 908
Sum fordringer	8	25 977 549	17 430 118
<b>Investeringer</b>			
Sum investeringer		0	0
<b>Bankinnskudd, kontanter og lignende</b>			
Bankinnskudd, kontanter og lignende	9	7 514 995	6 993 443
Sum bankinnskudd, kontanter og lignende		7 514 995	6 993 443
Sum omløpsmidler		33 492 544	24 423 561
<b>SUM EIENDELER</b>		<b>33 492 544</b>	<b>24 423 561</b>

## BALANSE - EGENKAPITAL OG GJELD



## Balanse

Beløp i: NOK	Note	2023	2022
<b>Egenkapital</b>			
<b>Innskutt egenkapital</b>			
Selskapskapital	10	30 000	30 000
Annen innskutt egenkapital		-5 570	-5 570
<b>Sum innskutt egenkapital</b>		<b>24 430</b>	<b>24 430</b>
<b>Opptjent egenkapital</b>			
Annen egenkapital		-7 761	-7 761
<b>Sum opptjent egenkapital</b>		<b>-7 761</b>	<b>-7 761</b>
<b>Sum egenkapital</b>	11	<b>16 669</b>	<b>16 668</b>
<b>Gjeld</b>			
<b>Langsiktig gjeld</b>			
<b>Sum avsetninger for forpliktelser</b>		<b>0</b>	<b>0</b>
<b>Annen langsiktig gjeld</b>			
<b>Sum annen langsiktig gjeld</b>		<b>0</b>	<b>0</b>
<b>Sum langsiktig gjeld</b>		<b>0</b>	<b>0</b>
<b>Kortsiktig gjeld</b>			
Leverandørgjeld	10	6 056 510	3 283 113
Skyldige offentlige avgifter		22 982 522	17 129 411
Annen kortsiktig gjeld		4 436 844	3 994 370
<b>Sum kortsiktig gjeld</b>	8	<b>33 475 876</b>	<b>24 406 893</b>
<b>Sum gjeld</b>		<b>33 475 876</b>	<b>24 406 893</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>33 492 545</b>	<b>24 423 561</b>



## Brønnøysundregistrene

### ÅRSREGNSKAP FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Journalnummer: 2024 639114

#### Enheten

Organisasjonsnummer: 921 499 906  
Organisasjonsform: Aksjeselskap  
Foretaksnavn: ISLAND DRILLING CREWING AS  
Forretningsadresse: Stålhaugen 9  
6065 ULSTEINVIK

#### Regnskapsår

Årsregnskapets periode: 01.01.2023 - 31.12.2023

#### Konsern

Morselskap i konsern: Nei

#### Regnskapsregler

Regler for små foretak benyttet: Nei  
Benyttet ved utarbeidelsen av årsregnskapet til selskapet: Regnskapslovens alminnelige regler

#### Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Marte S Hasund  
Dato for fastsettelse av årsregnskapet: 09.07.2024

#### Revisjon

Årsregnskapet er utarbeidet av ekstern autorisert regnskapsfører: Ja  
Ekstern autorisert regnskapsfører har i løpet av regnskapsåret bistått ved den løpende regnskapsføringen eller utført andre tjenester for selskapet enn å utarbeide årsregnskapet: Ja

#### Grunnlag for avgivelse

År 2023: Årsregnskap er elektronisk innlevert.  
År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023.

*Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.*

Brønnøysundregistrene, 17.07.2024



Organisasjonsnr: 921 499 906  
ISLAND DRILLING CREWING AS

## RESULTATREGNSKAP

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2023</b>	<b>2022</b>
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Salgsinntekt	3	164 304 453	156 176 492
Annen driftsinntekt		6	-91 489
<b>Sum inntekter</b>		<b>164 304 459</b>	<b>156 085 003</b>
<b>Kostnader</b>			
Lønnskostnad	4,5	147 666 972	141 376 073
Annen driftskostnad	4	16 700 096	14 738 820
<b>Sum kostnader</b>		<b>164 367 068</b>	<b>156 114 893</b>
<b>Driftsresultat</b>		<b>-62 609</b>	<b>-29 891</b>
<b>Finansinntekter og finanskostnader</b>			
Annen renteinntekt		134 493	32 441
Annen finansinntekt		30	134
<b>Sum finansinntekter</b>		<b>0</b>	<b>0</b>
Annen rentekostnad		68 661	617
Annen finanskostnad		3 253	2 068
<b>Sum finanskostnader</b>		<b>0</b>	<b>0</b>
<b>Netto finans</b>		<b>62 609</b>	<b>29 890</b>
<b>Resultat før skattekostnad</b>	6	<b>0</b>	<b>0</b>
<b>Årsresultat</b>		<b>0</b>	<b>0</b>



Organisasjonsnr: 921 499 906  
ISLAND DRILLING CREWING AS

## BALANSE

Beløp i: NOK	Note	2023	2022
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
Sum immaterielle eiendeler		0	0
<b>Varige driftsmidler</b>			
Sum varige driftsmidler		0	0
<b>Finansielle anleggsmidler</b>			
<b>Sum finansielle anleggsmidler</b>			
		0	0
Sum anleggsmidler		0	0
<b>Omløpsmidler</b>			
<b>Varer</b>			
Sum varer		0	0
<b>Fordringer</b>			
Kundefordringer	7	24 526 646	15 104 210
Andre fordringer		1 450 903	2 325 908
Sum fordringer	8	25 977 549	17 430 118
<b>Investeringer</b>			
Sum investeringer		0	0
<b>Bankinnskudd, kontanter og lignende</b>			
<b>Bankinnskudd, kontanter og lignende</b>			
	9	7 514 995	6 993 443
Sum bankinnskudd, kontanter og lignende		7 514 995	6 993 443
Sum omløpsmidler		33 492 544	24 423 561
<b>SUM EIENDELER</b>		<b>33 492 544</b>	<b>24 423 561</b>
<b>BALANSE - EGENKAPITAL OG GJELD</b>			
<b>Egenkapital</b>			
<b>Innskutt egenkapital</b>			
Selskapskapital	10	30 000	30 000
Annen innskutt egenkapital		-5 570	-5 570
Sum innskutt egenkapital		24 430	24 430
<b>Opptjent egenkapital</b>			
Annen egenkapital		-7 761	-7 761



Sum opptjent egenkapital		-7 761	-7 761
Sum egenkapital	11	16 669	16 668
<b>Gjeld</b>			
Langsiktig gjeld			
Sum avsetninger for forpliktelser		0	0
Annen langsiktig gjeld		0	0
Sum annen langsiktig gjeld		0	0
Sum langsiktig gjeld		0	0
<b>Kortsiktig gjeld</b>			
Leverandørgjeld	10	6 056 510	3 283 113
Skyldige offentlige avgifter		22 982 522	17 129 411
Annen kortsiktig gjeld		4 436 844	3 994 370
Sum kortsiktig gjeld	8	33 475 876	24 406 893
Sum gjeld		33 475 876	24 406 893
<b>SUM EGENKAPITAL OG GJELD</b>		<b>33 492 545</b>	<b>24 423 561</b>



Organisasjonsnr: 921 499 906  
ISLAND DRILLING CREWING AS

NOTEOPPLYSNINGER - SELSKAP - alle poster oppgitt i hele tall

## Note

1

### Regnskapsprinsipper

Island Drilling Crewing AS is included in the consolidated financial statement for Island Drilling Company AS, Stålhaugen 9, 6065 Ulsteinvik, Norway. Group accounts may be obtained upon request. The financial statements are prepared in accordance with the Norwegian Accounting Act and Generally Accepted Accounting Principles in Norway. The significant principles are described below. Revenue recognition Revenue is recognition based on time of delivery, whereby the time of delivery is defined as the time at which risk and control is transferred to the buyer. Revenue from services is recognized when delivered. The share of revenue related to future services is capitalized as deferred revenue at the time of sale, and recognized as revenue in accordance with services delivered. Classification and valuation of balance sheet items Assets to be owned or utilized on a permanent basis, and receivables falling due later than one year from the end of the accounting period are classified as fixed assets. Other assets are classified as current assets. Analogue criteria apply to liabilities. Current assets are valued at the lower of acquisition cost and market value. Fixed assets are capitalized and depreciated over the expected economic life of the asset if the expected lifetime exceeds 3 years and the acquisition cost exceeds NOK 15 000. Maintenance of assets is expenses as other operating expenses. Receivables Accounts receivables and other short-term receivables are recorded at initial value less a provision for doubtful accounts. The provision for doubtful accounts is recorded based on an individual assessment of outstanding items. Currency Transactions in foreign currency are recorded at the exchange rate at the transaction date. Current assets, short term liabilities and long term liabilities in foreign currency are recorded at the exchange rate on the balance sheet date. Taxes The tax expense in the income statement includes both taxes payable and change in deferred tax. Deferred tax are calculated as 22% of the temporary differences between tax and accounting values, and eventual tax losses carried forward at the end of the accounting year. Tax reducing and tax increasing differences are offset if reversible. Any net deferred tax asset is recorded in the balance sheet if expected future profitability makes utilization probable. Deferred tax liability and deferred tax assets are presented net in the balance sheet. Pensions The Company is affiliated to the LO/NHO scheme (the AFP scheme). The company also has its own occupational pension scheme. At the present time, there is no reliable measurement or allocation of obligations and assets in the AFP scheme. For accounting purposes, the scheme is treated as a defined- contribution pension scheme where premium payments are expensed as they are made, and no provisions are made in the accounts. No funds are accumulated in the scheme, and the premium level is expected to increase in the years ahead. Cash flow statement The cash flow statement is prepared by using the indirect method. By using this method, cash flow are reported gross from investment and financing activities, whilst the accounting result is reconciled to net cash flow from operating activities. Cash and cash equivalents include cash, bank deposits and other short term liquid investments which can be converted to cash within 3 months from the date of acquisition and with immaterial risk. The use of estimates Preparation of the annual financial statements entails the use of estimates. Accounting estimates may deviate from the actual results, but they are based on the best estimate on the date for the submission of the accounts.

## Note



1

Er det usikkerhet om fortsatt drift?: Nei

**Note**  
3

**Antall årsverk i regnskapsåret**  
96.00

**Note**  
3

## Spesifisering av resultatregnskapet

### Lønnskostnader

<u>Lønn</u>	<u>Årets</u>	<u>Fjorårets</u>
	116014327.00	112212647.00
<u>Folketrygdavgift</u>	<u>Årets</u>	<u>Fjorårets</u>
	20209973.00	17466797.00
<u>Pensjonskostnader</u>	<u>Årets</u>	<u>Fjorårets</u>
	8994439.00	9000445.00
<u>Andre ytelser</u>	<u>Årets</u>	<u>Fjorårets</u>
	2448232.00	2696184.00
<u>Sum lønnskostnader</u>	<u>Årets</u>	<u>Fjorårets</u>
	147666971.00	141376073.00

**Note**

### Ekstraordinære inntekter og kostnader

Sum Beløp

Balanseført verdi 31.12. Varige driftsmidler Immaterielle eiend.

### Konsernregnskap

Morselskapet sitt navn

Forretningskontor for morselskapet



Begrunnelse for at datterselskap er utelatt fra konsolideringen

Konsern, tilknyttet selskap m.v. - fordringer og gjeld

**Fordringer**

<u>Samlet beløp - tilknyttet selskap</u>	<u>Årets</u>	<u>Fjorårets</u>
--	--------------	------------------

<u>Samlet beløp - foretak i samme konsern</u>	<u>Årets</u>	<u>Fjorårets</u>
---	--------------	------------------

<u>Samlet beløp - foretak i samme konsern</u>	<u>Årets</u>	<u>Fjorårets</u>
---	--------------	------------------

<u>Samlet beløp - felles kontrollert virksomhet</u>	<u>Årets</u>	<u>Fjorårets</u>
---	--------------	------------------

<u>Pantstillelse</u>	<u>Beløp</u>
----------------------	--------------

<u>Beholdning av egne aksjer</u>	<u>Antall</u>	<u>Pålydende</u>	<u>Andel av aksjek.</u>
----------------------------------	---------------	------------------	-------------------------

**Note**

3

**Lån og sikkerhetsstillelse til medlemmer**

Er det gitt lån eller sikkerhetsstillelse til ledende personer: Nei

Opplysninger om:

Medlemmer av:

Mer om lån og sikkerhetsstillelse



Skatteetaten

Vår dato 30.04.2019	Din/Deres dato 12.03.2019	Saksbehandler Torstein Kinden Helleland
800 80 000 Skatteetaten.no	Din/Deres referanse Mai-Britt Myklebust	Telefon 22078139
Org.nr 974761076	Vår referanse 2019/5531837	Postadresse Postboks 9200 Grønland 0134 OSLO

BORGSTEIN AS  
Postboks 370  
6067 ULSTEINVIK

## Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk

Vi viser til deres brev av 12. mars 2019 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for følgende selskaper:

<b>Island Diligence AS</b>	<b>org.nr. 920 421 091</b>
<b>Island Victory AS</b>	<b>org.nr. 920 718 590</b>
<b>Island Drilling Management AS</b>	<b>org.nr. 992 448 636</b>
<b>Island Drilling Crewing AS</b>	<b>org.nr. 921 499 906</b>

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering de ovennevnte selskapene dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen gjelder så lenge opplysningene som vedtaket baserer seg på ikke endres vesentlig.

Kopi av dette brevet må sendes Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Det påligger den regnskapspliktige å dokumentere ved dette brev at tillatelsen er gitt.

### Bakgrunn

Felles for alle selskapene er at indirekte majoritetsiere er en norsk og en utenlandsk familie. Island Diligence AS er eid av tre selskaper der det ene er utenlandsk. Island Victory AS er 100 % eid av det norske selskapet Island Offshore XII Ship AS som er majoritets eid av Island Offshore Shipholding, L.P., et Cayman Island selskap. Island Offshore XII Ship AS har tillatelse til å benytte engelsk språk. Island Drilling Management AS og Island Drilling Crewing AS er søsterselskaper og er 100 % eid av Island Drilling Company AS. Island Drilling Company AS er majoritets eid av det amerikanske selskapet RIG Invest, L.L.C. Island Drilling Company AS har tillatelse til å benytte engelsk språk. Selskapenes forretningsspråk er engelsk, som også er arbeidsspråket i styrene. Kundene og leverandørene er i hovedsak internasjonale og norske virksomheter med leveranser til offshore industrien. Alle sentrale aktører og samarbeidspartnere innen denne bransjen behersker og benytter engelsk. En norsk oversettelse vil kun ha til formål å oppfylle regnskapslovens språkkrav.

### Skattedirektoratets vurdering

Etter regnskapsloven § 3-4 tredje ledd skal *årsregnskapet og årsberetningen ... være på norsk.*



*Departementet kan ved ... enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk."*

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap m.v., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

*"Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon."*

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til "informative regnskaper for ulike grupper av regnskapsbrukere". Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet.

Det er etter Skattedirektoratets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt vekt på at indirekte majoritetsiere er to utenlandske familier der den ene er utenlandsk. Morselskapene til tre av selskapene har tillatelse til å benytte engelsk språk. Arbeidsspråket er engelsk. Videre er det vektlagt at alle sentrale aktører og samarbeidspartnere behersker og benytter engelsk.

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Henning Stokke  
seniorrådgiver  
Juridisk avdeling  
Skattedirektoratet

Torstein Kinden Helleland

*Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.*

Side 2 / 2



Island Drilling Crewing AS



ISLAND DRILLING

## The Board of Director's annual report 2023

### 1. The nature of the business

Island Drilling Crewing AS (hereinafter referred to as "Crewing") is one of two subsidiaries of Island Drilling Company AS (IDC) and is 100% owned by IDC.

All offshore employees are employed by Crewing, and the nature of the business is to provide offshore personnel to IDC's semi-submersible rig, Island Innovator (INN) and Noble Lloyd Noble (NLN).

Crewing's registered office is in Ulsteinvik, Norway.

### 2. Going concern – operational update

The Rig owned by the Group operates in the global offshore drilling market, which suffered a significant downturn from 2015 due to the low oil price, reduced investments and activity and high market volatility caused by the COVID-19. The market has since recovered with an ongoing upcycle in 2023 with higher day rates and fleet utilization due to rising demand and tightening supply. The upcycle has continued in 2024 and the Group had satisfactory backlog with almost full utilization firm in 2024.

Following the balance sheet date a charterer terminated the current contract for the Rig, and the Group has subsequently taken legal action to set aside an arbitral award for wrongful termination. The proceedings will likely take place in 2025.

The Rig sailed to LPA to perform an expedited Special Periodic Survey, testing and improvements before commencement and mobilisation for the next contract in July 2024. The Group has been successful in aligning the contracts back-to-back to the end of the year.

The situation strained the liquidity for the Group and postponed the ongoing re-financing of the Senior Facility Agreement. The owners have since made available a significant working capital facility for the Company, covering the operational and capital expenditures and improving the working capital situation. The contribution from the owners also secured an amended and restated Facility Agreement with the lenders, extending the runway to May 2025 and with amended amortization.



## Island Drilling Crewing AS

## ISLAND DRILLING

The Group is optimistic about securing more contracts and increasing the backlog going forward given the status of ongoing tenders with sustainable rates, and the market for semi-submersible vessels is still on the rise. The Board will follow the liquidity and contract situation closely.

The accounts are prepared on the assumption of a going concern and the assessment is that the Island Drilling Group with continued support from its owners has the resources, organization, competence, assets, and customer base to continue being a going concern.

### 3. Working environment and personnel

Crewing had 96 employees as of 31<sup>st</sup> of December 2023. Number of employees has reduced from 2022 due to the termination of rig crewing agreement with Noble Drilling.

Island Drilling Company has made continuous endeavors to improve working environment on board Island Innovator and has also contributed in improving general welfare of the offshore crew.

The sick leave is at 7,6 for INN in 2023, and the company experienced 0 Loss time injury (LTI) incident for 2023.

Island Drilling Crewing AS consist mainly of Norwegian nationals, though the rig is crewed by a mix of internationals through a trusted crew agency. The Management team works close and meticulously with the rig to ensure standardized and safe working routines. The employees can at any time provide direct feedback to company management through either safe card reporting or the whistleblower system.

The mindset of continuous improvement of working environment is incorporated Island Drilling Group's company structure.

### 4. Social Responsibility

The IDC Group ensures that it has high ethical standard when carrying out business activities, whether this is towards customers, suppliers, employees, authorities, capital markets, owners or society in general.

The IDC Group follows the International Labor Organization's (ILO) convention for working and living conditions of seafarers which ensures that employees have comprehensive rights and protection at work. IDC's drilling rig is certified in accordance with the working and living conditions in the MLC ("Maritime Labor Convention"). For office staff, the working conditions are in accordance with the Norwegian Working Environment Act.



## Island Drilling Crewing AS

## ISLAND DRILLING

The IDC Group require that employees, agents and representatives comply with applicable laws when it comes to gifts and possible other benefits and such matters must be reported to an immediate superior. The Company require that all its' trading meets all applicable ethical standards. The company respects the traditions and cultures in the countries in which the drilling rig will operate and pledges to comply with the laws in the areas where the business activities are carried out.

For more information with regards to company policies in accordance with the transparency act, there will be a report on our website <https://islanddrilling.no/ahse/>, made available by 30.06.24.

### 5. Equal opportunities

The Company aims to be a workplace where everyone has equal opportunities irrespective of gender, ethnicity or religious orientation. We have in accordance with section 26 of the Norwegian Equality and Anti-Discrimination Act, reviewed our organization.

The reports describe the state of gender equality in the organization and is given in anonymized form and the report provides as detailed information about the gender equality as possible, while safeguarding the employees' privacy. The report in full can be found on our website <https://islanddrilling.no/ahse/> by 30.06.24.

#### 5.1 Crew statistics 2023:

- Gender balance overall in the organization of 96 employees:
  - o 1 woman and 95 men (1%/99%).
- Temporary employees: NA
- Part-time employees: NA

The Board of Directors consists of one man.

### 6. Environmental reporting

The IDC Group 's business as of 31 December 2023 is not regulated by license or subject to public orders. The activities do not pollute the external environment over and above what is customary for operations of this kind.

The Group's has guidelines, principles, policies and standards for how to integrate considerations relating to human rights labor rights and social issue, the environment and anti- corruption in its business strategies and in day-to-day operations, as well as in relation to stakeholders.



## Island Drilling Crewing AS



## ISLAND DRILLING

For more information with regards to company policies, code of conduct, HSES policy and values, please see our website <https://islanddrilling.no/ghse/>.

### 7. Future developments

The IDC Group is well established in the drilling market and is continuing the operation of Island Innovator. The main focus is still operation on the NCS as well as UKCS. However, IDC is also open for attractive opportunities globally and has performed work on the African Continent in 2023.

### 8. Market update

The oil drilling market continued to recover from the pandemic-induced downturn, as global demand for oil and gas increased in 2023. Island Drilling Company is experiencing a healthy number of tenders to bid on and IDC's top priority is to deliver top performance on ongoing contracts and secure an order back-log in Q3 2024 and onwards.

### 9. Performance

The Board of Directors is of the opinion that the annual accounts give a true and fair picture of Crewing's assets and liabilities, financial position and result.

Crewing had a turnover of TNOK 164 304 in 2023 (TNOK 156 085 in 2022). As the company is primarily hiring out offshore personnel to IDC (Island Innovator), the turnover from IDC and Management covered all personnel cost in Crewing, resulting in a net profit of NOK 0 for the year.

Crewing had no expenditures related to Research and Development

### 10. Financial risk

#### 10.1 Market risk

Crewing is generally exposed to market risk. The Group has secured short- and medium-term contracts until 1Q25, however as no long-term contracts has been secured for Island Innovator, the risk is still considered moderate.



**Island Drilling Crewing AS**



**ISLAND DRILLING**

**10.2 Currency risk**

The Company is to some extent exposed to changes in the foreign exchange markets. The drilling contracts for Island Innovator are in USD and all long-term debt in IDC is in USD. However, all operating expenses are payable in NOK (payroll).

**10.3 Board Insurance**

We are pleased to inform you that our company has implemented board insurance, an essential component of our risk management strategy.

Morten Ulstein

Chairman of the Board

Roger Simmenes

Chief Executive Officer



---

**Income statement**

---

**Island Drilling Crewing AS**

Tekst	Note	2023	2022
Operating income	3	164 304 453	156 176 492
Other operating income		7	-91 489
<b>Operating income</b>		<b>164 304 459</b>	<b>156 085 003</b>
Payroll expenses	4,5	147 666 972	141 376 073
Other operating expenses	4	16 700 096	14 738 820
<b>Total operating expenses</b>		<b>164 367 068</b>	<b>156 114 893</b>
<b>Operating profit</b>		<b>-62 609</b>	<b>-29 891</b>
Interest income		134 493	32 441
Other financial income		30	134
Interest expenses		68 661	617
Other financial expenses		3 253	2 068
<b>Total financial income &amp; expenses</b>		<b>62 609</b>	<b>29 890</b>
<b>Ordinary result before tax</b>	<b>6</b>	<b>0</b>	<b>0</b>
<b>Net profit for the year</b>		<b>0</b>	<b>0</b>
<b>Allocated as follows</b>			
Transfer to other equity		0	0
<b>Total transfers</b>		<b>0</b>	<b>0</b>

---

Island Drilling Crewing AS      Org.nr. 921499906

---



---

**Balance sheet**

---

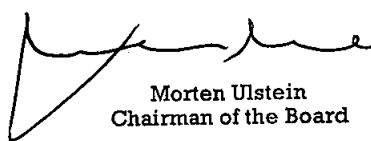
**Island Drilling Crewing AS**

Tekst	Note	2023	2022
<b>Assets</b>			
<b>Fixed assets</b>			
<b>Intangible fixed assets</b>			
<b>Financial fixed assets</b>			
<b>Current assets</b>			
Accounts receivables	7	24 526 646	15 104 210
Other receivables		1 450 903	2 325 908
<b>Total debtors</b>	8	<b>25 977 549</b>	<b>17 430 118</b>
<b>Cash and bank deposits</b>	9	<b>7 514 995</b>	<b>6 993 443</b>
<b>Total current assets</b>		<b>33 492 544</b>	<b>24 423 561</b>
<b>Total assets</b>		<b>33 492 544</b>	<b>24 423 561</b>

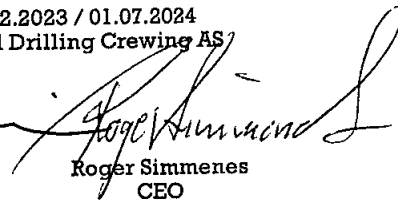
**Balance sheet****Island Drilling Crewing AS**

Tekst	Note	2023	2022
<b>Liabilities and equity</b>			
<b>Equity</b>			
<b>Paid in equity</b>			
Share capital	10	30 000	30 000
Other paid in equity		-5 570	-5 570
<b>Total paid in equity</b>		<b>24 430</b>	<b>24 430</b>
<b>Retained earnings</b>			
Other equity		-7 761	-7 761
<b>Total retained earnings</b>		<b>-7 761</b>	<b>-7 761</b>
Profit not allocated		0	0
<b>Total equity</b>	<b>11</b>	<b>16 669</b>	<b>16 668</b>
<b>Liabilities</b>			
<b>Provision for liabilities</b>			
<b>Current liabilities</b>			
Trade creditors	10	6 056 510	3 283 113
Unpaid government fees/taxes		22 982 522	17 129 411
Other short term liabilities		4 436 844	3 994 370
<b>Total current liabilities</b>	<b>8</b>	<b>33 475 876</b>	<b>24 406 893</b>
<b>Total liabilities</b>		<b>33 475 876</b>	<b>24 406 893</b>
<b>Total equity and liabilities</b>		<b>33 492 545</b>	<b>24 423 561</b>

ULSTEINVIK, 31.12.2023 / 01.07.2024  
The Board of Island Drilling Crewing AS



Morten Ulstein  
Chairman of the Board



Roger Simmenes  
CEO



## Cash flow statement

### Island Drilling Crewing AS

Per 31.12.	2023	2022
<b>Cash flow from operating activities.</b>		
Profit/loss before tax	0	0
Changes in trade receivables	-9 422 436	-10 278 815
Changes in trade payables	2 773 397	2 271 115
Changes in current balance sheet items	7 170 590	10 839 194
<b>Net cash flow from operating activities</b>	<b>521 551</b>	<b>2 831 494</b>
<b>Cash flow from investment activities</b>		
<b>Cash flow from financial activities</b>		
<b>Net change in cash and cash equivalents</b>	<b>521 551</b>	<b>2 831 494</b>
Cash and cash equivalent 01.01	6 993 443	4 161 950
Cash and cash equivalents 31.12.	7 514 995	6 993 443

Island Drilling Crewing AS



## Island Drilling Crewing AS

### Notes to the financial statements 2023

#### Note 1 – Accounting principles

Island Drilling Crewing AS is included in the consolidated financial statement for Island Drilling Company AS, Stålhaugen 9, 6065 Ulsteinvik, Norway. Group accounts may be obtained upon request.

The financial statements are prepared in accordance with the Norwegian Accounting Act and Generally Accepted Accounting Principles in Norway.

The significant principles are described below.

#### *Revenue recognition*

Revenue is recognition based on time of delivery, whereby the time of delivery is defined as the time at which risk and control is transferred to the buyer. Revenue from services is recognized when delivered. The share of revenue related to future services is capitalized as deferred revenue at the time of sale, and recognized as revenue in accordance with services delivered.

#### *Classification and valuation of balance sheet items*

Assets to be owned or utilized on a permanent basis, and receivables falling due later than one year from the end of the accounting period are classified as fixed assets. Other assets are classified as current assets. Analogue criteria apply to liabilities.

Current assets are valued at the lower of acquisition cost and market value. Fixed assets are capitalized and depreciated over the expected economic life of the asset if the expected lifetime exceeds 3 years and the acquisition cost exceeds NOK 15 000. Maintenance of assets is expenses as other operating expenses.

#### *Receivables*

Accounts receivables and other short-term receivables are recorded at initial value less a provision for doubtful accounts. The provision for doubtful accounts is recorded based on an individual assessment of outstanding items.

#### *Currency*

Transactions in foreign currency are recorded at the exchange rate at the transaction date. Current assets, short term liabilities and long term liabilities in foreign currency are recorded at the exchange rate on the balance sheet date.

#### *Taxes*

The tax expense in the income statement includes both taxes payable and change in deferred tax. Deferred tax are calculated as 22% of the temporary differences between tax and accounting values, and eventual tax losses carried forward at the end of the accounting year. Tax reducing and tax increasing differences are offset if reversible. Any net deferred tax asset is recorded in the balance sheet if expected future profitability makes utilization probable. Deferred tax liability and deferred tax assets are presented net in the balance sheet.



## *Pensions*

The Company is affiliated to the LO/NHO scheme (the AFP scheme). The company also has its own occupational pension scheme. At the present time, there is no reliable measurement or allocation of obligations and assets in the AFP scheme. For accounting purposes, the scheme is treated as a defined- contribution pension scheme where premium payments are expensed as they are made, and no provisions are made in the accounts. No funds are accumulated in the scheme, and the premium level is expected to increase in the years ahead.

## *Cash flow statement*

The cash flow statement is prepared by using the indirect method. By using this method, cash flow are reported gross from investment and financing activities, whilst the accounting result is reconciled to net cash flow from operating activities. Cash and cash equivalents include cash, bank deposits and other short term liquid investments which can be converted to cash within 3 months from the date of acquisition and with immaterial risk.

## *The use of estimates*

Preparation of the annual financial statements entails the use of estimates. Accounting estimates may deviate from the actual results, but they are based on the best estimate on the date for the submission of the accounts.

## **Note 2- Business description**

Island Drilling Crewing AS provides hire of offshore personnel/ crew to Island Drilling Company AS and Noble Drilling.

## **Note 3- Transactions with related parties**

	<b>2023</b>	<b>2022</b>
Sales to Island Drilling Company AS	120 744 178	110 835 572
Sales to Island Drilling Management AS	43 560 275	45 340 920

## **Note 4 – Payroll expenses, employees**

The company had 96 employees by the end of 2023.  
No remuneration has been paid to the Board of Directors or the Managing Director.

<i>Payroll expenses:</i>	<b>2023</b>	<b>2022</b>
Wages	116 014 327	112 212 647
Payroll tax	20 209 973	17 466 797
Pension costs	8 994 439	9 000 445
Other personnel cost	2 448 232	2 696 184
<b>Total</b>	<b>147 666 972</b>	<b>141 376 073</b>

Audit fee has been paid with NOK 86 820 excluding VAT during 2023.



## Note 5- Pension expenses and obligations

The Company participates in the scheme agreed between the Norwegian Confederation of Trade Unions and the Confederation of Norwegian Enterprise (the so-called LO/NHO scheme), under which all employees can choose early retirement from the age of 62.

The AFP scheme is a scheme which provides a lifelong addition to the ordinary pension. Employees can choose to draw pension from the AFP scheme from the age of 62, while continuing to work. The scheme allows employees to continue to earn pension entitlements if they continue to work until the age of 67. The AFP scheme is a defined benefit multi-enterprise pension scheme, and it is financed by premiums defined as a percentage of pay. For accounting purposes, the scheme is treated as a defined contribution pension scheme where premium payments are expensed as they are made. The Company also has a defined contribution pension scheme. The Company is obliged to have an occupational pension scheme pursuant to the Act relating to mandatory occupational pensions. The Company's pension schemes meet the requirements of the Act.

## Note 6 – Taxes

	2023	2022
<i>Calculation tax basis:</i>		
Profit before taxes		
Permanent differences		2 590
Change in temporary differences		
Change in deficit to carry forwards	<u>-</u>	<u>-2 590</u>
Payable tax basis	<u>-</u>	<u>-</u>

### *Overview of temporary differences:*

Fixed assets, including goodwill		
Deficit to carri forwards	<u>-10 741</u>	<u>-10 741</u>
Net temporart differences	<u>-10 741</u>	<u>-10 741</u>
Deferred tax asset	<u>-2 363</u>	<u>-2 363</u>
Deferred tax rate	22 %	22 %
<i>Tax payable on this years result:</i>	-	-
<i>Payable taxes</i>	-	-
<i>Change in deferred taxes</i>	<u>-</u>	<u>-</u>
<i>Tax expense</i>	<u>-</u>	<u>-</u>

The company does not recognize deferred tax assets, as it is uncertain whether the company will be in tax position to utilize the tax loss carryforward.



## Note 7- Inter- company balances

### Related party balances:

	2023	2022
Accounts receivables	24 526 646	15 104 210
<u>Other short term receivables</u>		<u>640 681</u>
<b>Total</b>	<b>24 526 646</b>	<b>15 744 891</b>

<u>Accounts payable</u>	-	-
<b>Total</b>	-	-

## Note 8 – Receivables and debt

	2023	2022
<i>Other short-term receivables:</i>		
Accounts receivables	24 526 646	15 104 210
Prepayments	1 446 156	1 495 158
Outstanding VAT	0	188 799
Other short-term receivables	<u>4 747</u>	<u>641 949</u>
<b>Total</b>	<b><u>25 977 549</u></b>	<b><u>17 430 118</u></b>
<i>Other short-term debt</i>		
Vacation pay	4 436 844	3 994 370
Accounts payable	6 056 510	3 283 113
Debt to related parties	-	-
Government fees/taxes	22 982 522	17 129 411
Other short-term debt	-	-
<b>Total</b>	<b><u>33 475 876</u></b>	<b><u>24 406 893</u></b>

The company has no long-term debt or long-term receivables as of 31.12.23

## Note 9– Deposits

The company have an account tied to tax withholdings and the balance on this account by the end of the year is NOK 6 808 966.



## Note 10 – Share capital and shareholder information

The share capital of NOK 30 000 comprises 30 shares at NOK 1 000.

Overview of shareholders at 31.12. :

Shareholder	Shares	Ownership
Island Drilling Company AS	30	100 %

## Notes 11 - Equity

	Share capital	Other paid in Equity	Uncovered loss	Total
Equity 1.1	30 000	-5 570	-7 761	16 669
Net profit				
Equity 31.12	30 000	-5 570	-7 761	16 669

## Note 12- Pledged assets and guarantees etc.

The Company is jointly registered with the other Group companies in the VAT register and is therefore jointly liable for any unpaid VAT.

## Note 13 - Going concern

The Rig owned by the Group operates in the global offshore drilling market, which suffered a significant downturn from 2015 due to the low oil price, reduced investments and activity and high market volatility caused by the COVID-19. The market has since recovered with an ongoing upcycle in 2023 with higher day rates and fleet utilization due to rising demand and tightening supply. The upcycle has continued in 2024 and the Group had satisfactory backlog with almost full utilization firm in 2024.

Following the balance sheet date a charterer terminated the current contract for the Rig, and the Group has subsequently taken legal action to set aside an arbitral award for wrongful termination. The proceedings will likely take place in 2025.

The Rig sailed to LPA to perform an expedited Special Periodic Survey, testing and improvements before commencement and mobilisation for the next contract in July 2024. The Group has been successful in aligning the contracts back-to-back to the end of the year.



The situation strained the liquidity for the Group and postponed the ongoing refinancing of the Senior Facility Agreement. The owners have since made available a significant working capital facility for the Company, covering the operational and capital expenditures and improving the working capital situation. The contribution from the owners also secured an amended and restated Facility Agreement with the lenders, extending the runway to May 2025 and with amended amortization.

The Group is optimistic about securing more contracts and increasing the backlog going forward given the status of ongoing tenders with sustainable rates, and the market for semi-submersible vessels is still on the rise. The Board will follow the liquidity and contract situation closely.

The accounts are prepared on the assumption of a going concern and the assessment is that the Island Drilling Group with continued support from its owners has the resources, organization, competence, assets, and customer base to continue being a going concern.



Statsautoriserte revisorer  
Ernst & Young AS

Thormøhlens gate 53 D, 5006 Bergen  
Postboks 6163, 5892 Bergen

Foretaksregisteret: NO 976 389 387 MVA  
Tlf: +47 24 00 24 00

www.ey.no  
Medlemmer av Den norske Revisorforening

## INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of Island Drilling Crewing AS

### Opinion

We have audited the financial statements of Island Drilling Crewing AS (the Company), which comprise the balance sheet as at 31 December 2023, the income statement and statement of cash flows 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 legal requirements and give a true and fair view of the financial position of the Company as at 31 December 2023 and its financial performance and 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 in accordance with the requirements of the 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

Other information consists of the information included in the annual report other than the financial statements and our auditor's report thereon. Management (the board of directors and the general manager) is responsible for the other information. Our opinion on the financial statements does not cover the other information, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information, and, in doing so, consider whether the board of directors' report contains the information required by legal requirements and whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information or that the information required by legal requirements is not included, we are required to report that fact.

We have nothing to report in this regard, and in our opinion, the board of directors' report is consistent with the financial statements and contains the information required by applicable legal requirements.

### Responsibilities of management for the financial statements

Management is responsible for the preparation of the 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 ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the



Building a better  
working world

going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Bergen, 9 July 2024  
ERNST & YOUNG AS

*The auditor's report is signed electronically*

Jørn Knutsen  
State Authorised Public Accountant (Norway)

Independent auditor's report - Island Drilling Crewing AS 2023

A member firm of Ernst & Young Global Limited

Penneo document key: L3FO1-30A8W-421F7-MSF13-EHUZD-W8QAO



# PENNEO

Signaturene i dette dokumentet er juridisk bindende. Dokument signert med "Penneo™ - sikker digital signatur". De signerende parter sin identitet er registrert, og er listet nedenfor.

"Med min signatur bekrefter jeg alle datoer og innholdet i dette dokument."

## Knutsen, Jørn

Statsautorisert revisor

På vegne av: Ernst & Young AS

Serienummer: no\_bankid:9578-5992-4-3012515

IP: 147.161.xxx.xxx

2024-07-09 08:36:27 UTC



Penneo Dokumentnøkkel: L3F01-30A8W-421F7-MSFB-EHUZD-W8QAO

Dokumentet er signert digitalt, med **Penneo.com**. Alle digitale signatur-data i dokumentet er sikret og validert av den datamaskin-utregnede hash-verdien av det opprinnelige dokument. Dokumentet er låst og tids-stemplet med et sertifikat fra en betrodd tredjepart. All kryptografisk bevis er integrert i denne PDF, for fremtidig validering (hvis nødvendig).

### Hvordan bekrefter at dette dokumentet er originalen?

Dokumentet er beskyttet av ett Adobe CDS sertifikat. Når du åpner dokumentet i

Adobe Reader, skal du kunne se at dokumentet er sertifisert av **Penneo e-signature service <penneo@penneo.com>**. Dette garanterer at innholdet i dokumentet ikke har blitt endret.

Det er lett å kontrollere de kryptografiske beviser som er lokalisert inne i dokumentet, med Penneo validator - <https://penneo.com/validator>