Annual Report 2024

Start reading

Prosafe

We are a leading owner and operator of semi-submersible accommodation vessels

$139.8 m	57 %	$370 m	5
Operating revenues 2024	2024 Fleet utilisation	Backlog incl. options	Accommodation vessels

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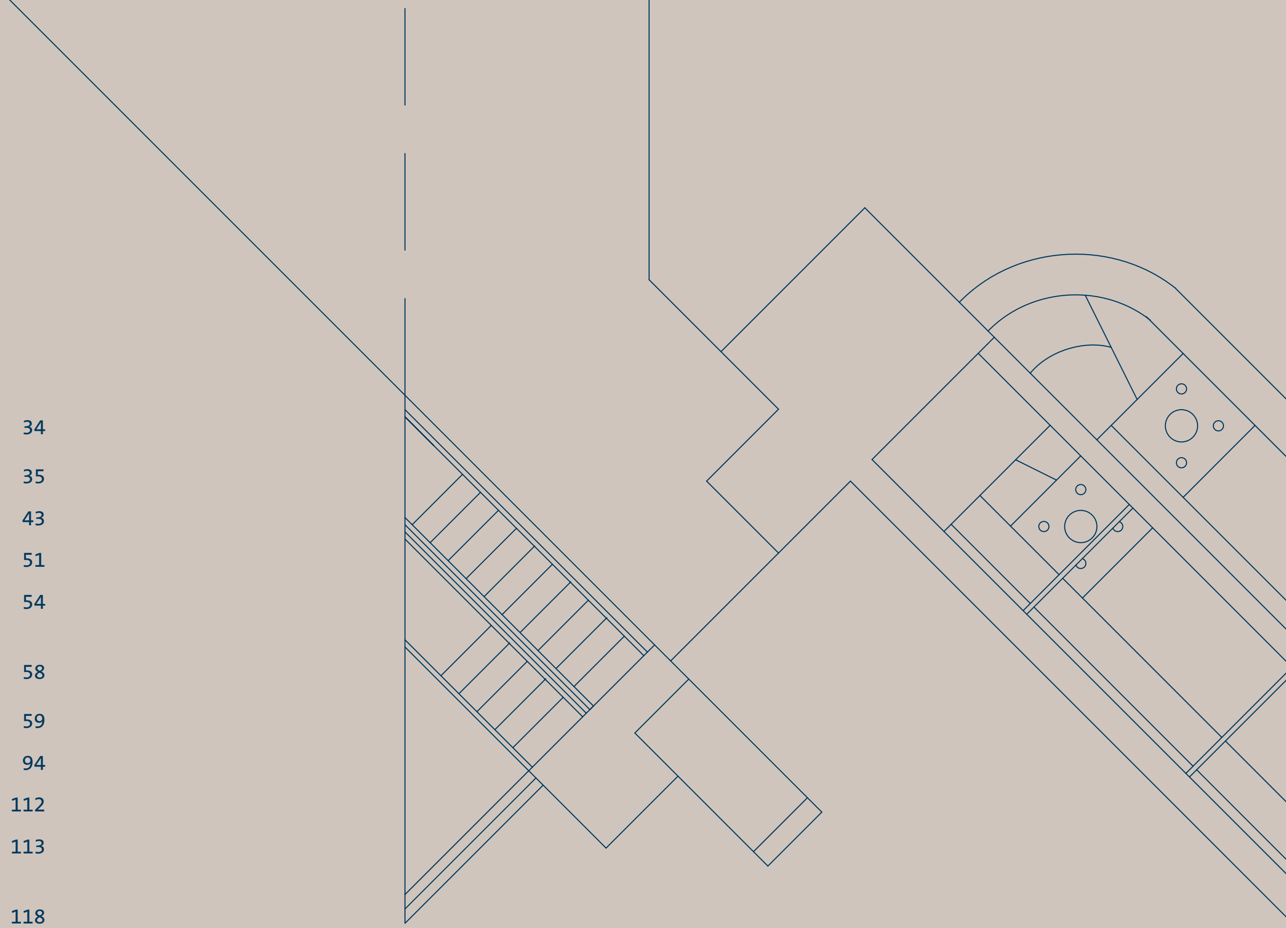

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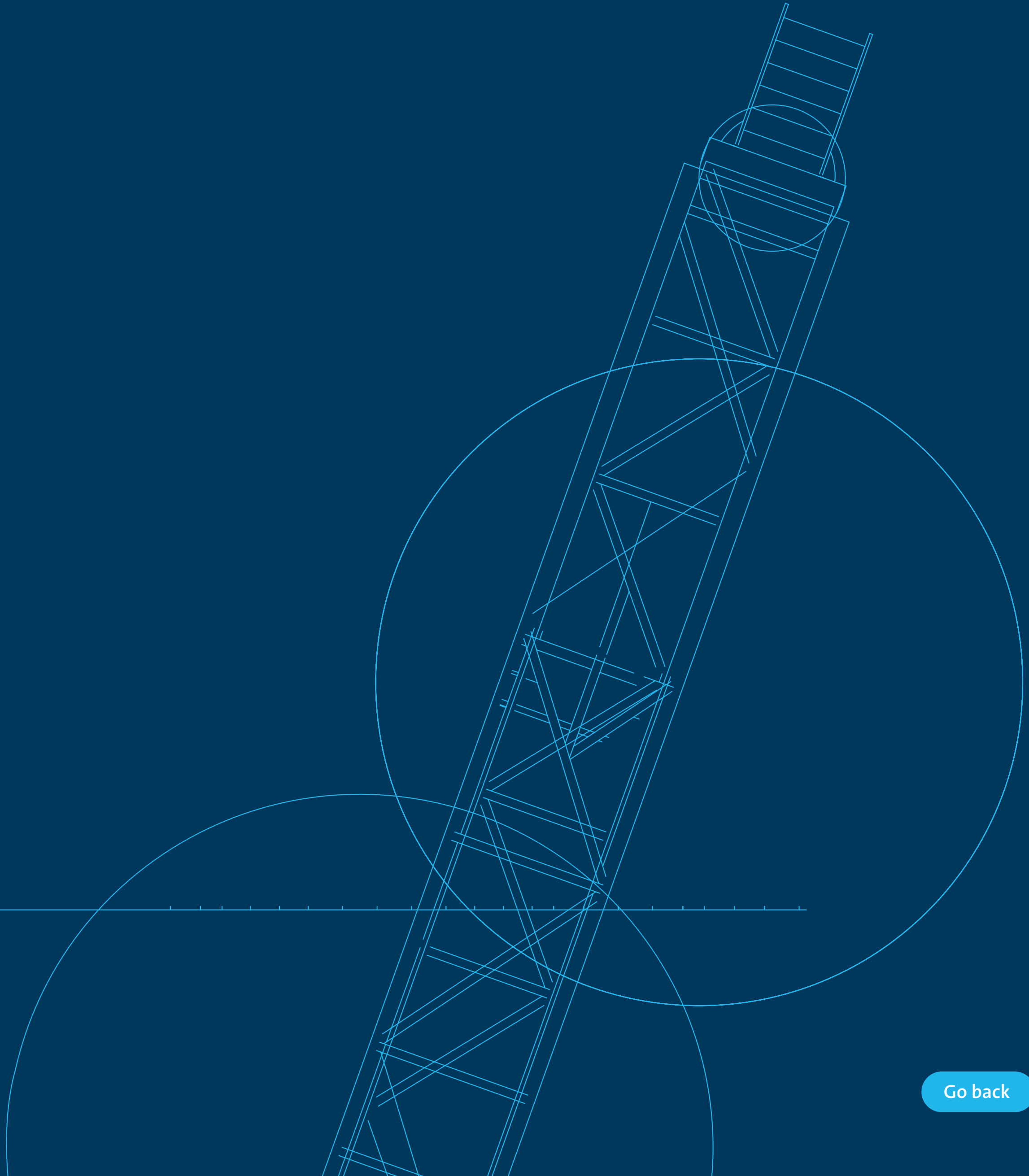

Highlights 2024

Good operating and safety performance on all vessels

57% fleet utilisation. Four out of seven vessels with 99% utilisation for the year

Year-end backlog of USD 370 million, 44% YoY increase

Safe Boreas contract with 15 months firm period plus options

Safe Caledonia contract from June 2025 for six months plus options in the UK North Sea sector

Backlog growth and improved market outlook create a platform to strengthen liquidity and achieve a sustainable capital structure

Events after the reporting date:

Safe Concordia and Safe Scandinavia sold in H1 2025

Safe Zephyrus contract extended to Q3 2027

Agreement of terms for recapitalisation with lenders and shareholders

Revenue
139.8
million USD
2023: (67.8)

EBITDA
27.2
million USD
2023: (10.5)

Earnings per share
(2.61)
USD
2023: (USD 6.00)

Net cash flow from operations
23.1
million USD
2023: (11.5)

Net cash flow
(27.8)
million USD
2023: (17.0)

Net profit (loss)
(46.7)
million USD
2023: (67.8)

Fleet utilisation
57.0%
2023: 41.0%

Operations
1,454
operating days
2023: 1,043

Investments
16.7
million USD
2023: (37.7)

Key figures

		2024	2023	2022	2021	2020
Profit or loss						
Operating revenue	MUSD	139.8	97.7	198.9	141.1	56.7
EBITDA	MUSD	27.2	(10.5)	61.4	24.9	(9.5)
Operating profit (loss)	MUSD	(14.2)	(41.6)	31.9	(49.8)	(864.3)
Net profit (loss)	MUSD	(46.7)	(67.8)	1.5	927.9	(950.1)
Earnings per share (fully diluted)	USD	(2.61)	(6.00)	0.17	263.3	(10,798.20)
Financial position						
Total assets	MUSD	442.7	492.7	500.0	492.8	587.7
Interest-bearing debt	MUSD	415.9	419.5	422.2	423.3	1,509.4
Net interest-bearing debt	MUSD	369.1	344.9	330.6	349.4	1,349.1
Book equity	MUSD	(13.2)	33.8	37.3	36.3	(948.5)
Book equity ratio	%	(3.0)	6.9	7.5	7.4	(161.4)
Liquidity[1]	MUSD	46.8	74.6	91.6	73.9	160.3
Net working capital	MUSD	4.5	5.1	9.8	(11.3)	(8.9)
Net cash flow	MUSD	(27.8)	17.0	17.7	(86.4)	(37.8)
Valuation						
Market capitalisation at year-end	MUSD	11.0	120.8	115.1	158.0	10.4
Share price	NOK	6.99	68.8	128.2	158.4	1,080.0
Operations						
Fleet utilisation rate	%	57.0	41.0	70.6	54.5	20.4
Employees						
Number of employees at year-end	Employees in direct employment	281	255	182	103	99
HSSE						
Lost time injuries	Per millionworked hours	0.0	1.0	0.0	0.0	0.0
Total recordable injury frequency	Per millionworked hours	2.00	3.68	0.00	0.00	1.81
Sick leave	% of total working hours	1.21	0.99	1.31	0.27	0.46

[1] Liquidity equals cash and deposits, and includes USD 2.3 million in restricted cash

About Prosafe

Prosafe is a leading owner and operator of semi-submersible accommodation, safety and support vessels.

Prosafe owns and operates five semi-submersible accommodation, safety and support vessels. In addition, the Company has two new build accommodation vessels at the yard.

The versatile fleet comprises four dynamically positioned and one passive position moored vessels, capable of operating in the most demanding offshore environments.

Prosafe's vessels support energy companies, primarily in global offshore oil and gas markets. Operations are related to the lifecycle of offshore installations such as maintenance and modification on fields already in production, hook-up and commissioning of new fields, tie-backs to existing infrastructure and decommissioning.

The vessels are operated in dynamic positioning (DP) mode by use of own engines and thrusters or in a moored mode, while being gangway connected via a telescopic gangway to the client's installation so personnel can safely walk to work. The vessels are normally provided on a time charter basis where Prosafe crews and operates the vessels.

Prosafe's vessels have accommodation capacity for up to 500 people and offer high quality welfare and catering facilities, storage, workshops, offices, cinema/auditorium, medical services, deck cranes and lifesaving and firefighting equipment.

Prosafe has a long track record from demanding operations world-wide, with leading operational performance and safety records. The Company has extensive experience from operating gangway connected to fixed installations, FPSOs, TLPs, Semis and Spars. The main operating regions are the North Sea, Brazil and Gulf of Mexico.

Prosafe is listed on the Oslo Stock Exchange with ticker code PRS.

Vision
To be a leading and innovative provider of technology and services in selected niches of the global offshore energy industry.

Mission
To provide customers with innovative and cost-efficient solutions in order to maximise shareholder value and to create a challenging and motivating workplace.

Strategy
To be the preferred provider of high-end accommodation vessels globally.

Values
We Care, We Collaborate, We are ambitious

Vessels at a glance and current location

Brazil

Safe Eurus

DP3 – Worldwide[1]

- Contracted to Petrobras until February 2027
- 100 per cent utilisation in 2024 excluding SPS

Safe Notos

DP3 – Worldwide[1]

- Contracted to Petrobras until July 2026
- 100 per cent utilisation in 2024 excluding hull cleaning

Safe Zephyrus

DP3 – Worldwide

- Contracted to Petrobras into September 2027
- 100 per cent utilisation in 2024

North Sea and Rest of World

Safe Boreas

DP3 – Worldwide

- Contracted for work in Australia with start-up between 1 Oct. 2025 and 1 April 2026
- To mobilise from the North Sea Q2 2025 after reactivation work and SPS
- 15 months firm duration + up to 6 months of options

Safe Caledonia

TAMS – UK North Sea

- Contracted to Ithaca Energy at the Captain field in the UK North Sea
- Start-up in June 2025 after reactivation work and SPS
- 6 months firm duration + up to 3 months of options
- Actively marketed

[1] Worldwide operations excluding Norwegian Continental Shelf (NCS)

[2] Worldwide excluding North Sea (UK and NCS)
NCS – Norwegian Continental Shelf
TAMS – Thruster assisted mooring system

CEO message

Building the platform for future value creation

In the past year, we have delivered material commercial progress with contract awards for Safe Boreas and Safe Caledonia and extensions for Safe Zephyrus and Safe Concordia, building a stronger foundation for achieving a long-term sustainable capital structure.

Terje Askvig
Chief Executive Officer

Strong safety culture

We have a zero-incident mindset, meaning no accidents or incidents are acceptable. Our business and long-term value creation are founded on safe operations. Our 2024 health and safety statistics were acceptable, with nil Lost Time Incidents (LTI) (2023:1). Sick leave was low at 1.17 per cent, a small increase from 0.99 per cent the previous year.

Improving market fundamentals

Demand for accommodation vessels is driven by the exploration and production (E&P) industry investing in the maintenance and modification of existing oil and gas infrastructure and the installation of new production systems. In line with our expectations, demand and day rates for late-cycle accommodation services are responding to the ongoing multi-year investment cycle in response to depletion of existing fields, high energy prices, increased economic activity and intensified focus on energy security with the conflicts in Ukraine and the Middle East.

While the transition to low-carbon societies is both desirable and inevitable, we are a long way from having sufficient new energy sources to enable a just transition. Therefore, oil and gas and the related service industry will remain essential to ensuring access to affordable energy in coming decades. This implies long-term demand for our services across our core markets in Brazil and the North Sea, and in emerging markets such as West Africa, South America and Australasia.

Brazil is at the forefront driving demand, confirmed by our recent Safe Zephyrus extension and new tenders for multiple high-end vessels as maintenance and safety units to support rapidly expanding floating production infrastructure. These production systems are required to deliver on Brazil's target of growing production from 3 million to 5 million barrels of oil per day by 2030. The new Brazil tenders issued in 2025 are likely to absorb further capacity from other regions, thus reducing available supply.

Maintenance activity in the UK North Sea disappointed again due to the windfall tax. However, after two years of limited accommodation activity on UK fields, the low point is behind us. In the second quarter of 2025, the Safe Caledonia will start its new contract for Ithaca Energy UK on the Captain field following upgrades and SPS, and we are in discussions on further contract opportunities in the UK and Norway for 2026 and onwards.

Operations

Four of our seven vessels were working in 2024 in Brazil and the US Gulf of Mexico, with full-year utilisation at 57 per cent, up from 52 per cent in 2023. Commercial activity increased and resulted in with new contracts for the Safe Boreas in Australia and Safe Caledonia in the UK. Both contracts provide client prepayments to finance vessel reactivation and SPSs, which are ongoing. We also extended Safe Concordia to March 2025, and finally Safe Zephyrus was extended to the third quarter of 2027 with Petrobras.

Finance

Financially, 2024 showed progress, but the reported results continue to reflect that only part of the fleet is in operation and at day rates below the current market on legacy contracts. Revenue increased with 5 per cent. EBITDA was positive USD 27.2 million compared to negative USD 10.5 million in 2023. Backlog grew 44 per cent to USD 370 million with the new contracts and extensions.

Improved market fundamentals, increased backlog and high operational efficiency support our expectations of future earnings growth and have provided foundation for establishing a sustainable capital structure prior to the 2025 debt maturities. We recently presented a proposed refinancing developed in close cooperation with our lenders, and which is supported by the majority of our shareholders. This will now be presented to the general meeting for final approval.

Outlook

Looking ahead it is clear that 2025 will be a more active year. Three vessels remain on contract with Petrobras in Brazil throughout the year. The Safe Boreas will mobilise to Australia and start the up to 23-month contract, options included, while Safe Caledonia will be back at work in the UK Sector. With the Safe Caledonia reactivated, we expect further opportunities to emerge in the region. We have divested the Safe Concordia to a non-competitor due to significant investments required to extend the operating life. We have also sold the Safe Scandinavia for recycling to reduce costs. The vessel had been in cold lay-up for over six years and had no immediate contract opportunities.

The accommodation market supply-demand balance is favourable, and we expect day rates to continue to increase. It is less likely that additional supply from newbuild vessels will materialise in the near future, and we control two of the last remaining new units at yard. As the market leader, we are well positioned to secure further work in Brazil at terms reflecting current market fundamentals. We are also in discussions with operators in the North Sea for work in 2026 and onwards, and the Safe Boreas contract in Australia is a clear confirmation of demand for high-end accommodation units outside the traditional core markets.

We are very pleased with the support shown by our lenders and a significant portion of our shareholders through the agreement for refinancing announced 24 April 2025. This is an important step in the refinancing of Prosafe. This agreement, in combination with the improved balance sheet, will ensure that Prosafe continues to be the world's leading provider of floating accommodation vessels and Units for Maintenance and Safety (UMS).

I would like to extend my gratitude to the entire Prosafe team who work every day onshore and offshore to ensure we move towards delivering safely on our full potential. I would also like to thank our shareholders for their continued support as we build a sustainable capital structure. Together, we can create a strong platform for Prosafe to thrive in years to come and create material long-term value for all our stakeholders.

Stay safe!

Terje Askvig
CEO

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Senior executive management

Terje Askvig
CEO

Mr Askvig joined Prosafe in 2023. Mr Askvig has experience from shipping, oil service, family office and private equity. Before joining Prosafe, he was Operating Partner and Senior Advisor in Triton Partners for 11 years, a leading European private equity firm. Before joining Triton Partners, Mr. Askvig worked as CEO of Eitzen Chemical for five years and seven years in Fred. Olsen & Co, latest as Managing Director of Fred. Olsen Renewables.

During his period as partner with Triton Partners, he was Chairman/ Board member of DeepOcean, Chairman and "deal Captain" of Nordic Tankers and Herning Shipping (Denmark), as well as holding directorships on various other Triton related companies. He is also serving on the board of OSM Thome Group, as well as chairing the nomination committee of Höegh Autoliners.

Reese McNeel
CFO

Mr McNeel joined Prosafe in 2022. Mr McNeel has more than 20 years of experience from management and financial positions, including offshore industry. Prior to joining Prosafe, he served as Deputy Chief Executive Officer & Chief Financial Officer at Atlantica Tender Drilling Ltd. and as Chief Executive Officer and Chief Financial Officer of Sevan Marine ASA.

He holds a Master of Business Administration from the IESE Business School in Barcelona and a degree in Finance and Economics from Utah State University.

Ryan Stewart
CCO

Mr Stewart joined Prosafe in 2001 and has held several positions, last as Chief Operations Officer. Prior to joining Prosafe, he held various positions in the North Sea oil industry.

He holds an LLM in Oil and Gas Law from The Robert Gordon University and a BSc in Engineering, also from The Robert Gordon University.

Board of Directors

Glen Ole Rødland
Chair

Mr. Rødland has 13 years' experience as an analyst and corporate finance advisor from a leading Scandinavian Investment Bank. He has been an investor and has managed investments for private offices and Private Equity for many years. The main focus of Mr Rødland is on energy, shipping, oil service, aquaculture and other commodity industries.

Mr Rødland also has considerable experience as a board member and Chairman of several Norwegian public companies and international companies. He is currently Chairman of Prosafe, ABL Group, Pascal Technologies, Borgestad ASA and Høganes Borgestad AB, and Board member of Deep Value Driller and Atlantica Tender Drilling.

Mr Rødland's qualifications include an MBA and Postgraduate Studies in Finance completed at the Norwegian School of Economics and Business Administration (NHH) and UCLA.

Birgitt Aagard-Svendsen
Non-executive Director

Ms Aagaard-Svendsen is a board professional with an extensive board experience dating back to the early 90-ties. Outside Prosafe, Ms. Aagaard-Svendsen is Audit Committee Chairman of DNV Group AS, Aker Solutions AS and KommuneKredit (Denmark), and Board Member of Stiftelsen Det Norske Veritas, Copenhagen Malmø Port AS and Otto Mønsted A/S.

Ms Aagaard-Svendsen has held several senior management and CFO positions. At latest and until 2016 she was Chief Financial Officer of J. Lauritzen for 18 years. During the period between 2011 and 2015, she was Chairman for the Danish committee on Corporate Governance.

Ms Aagaard-Svendsen has a Constructional Engineering degree from the Technical University of Denmark and a Graduate Diploma in Business Administration from the Copenhagen Business School. In addition, miscellaneous executive programs at IESE (Barcelona); IMD (Lausanne) and INSEAD (Paris).

Nina Udnes Trondstad
Non-executive Director

Mrs Udnes Tronstad is a board professional with extensive board experience as an independent board director for private and listed companies. Outside Prosafe, she is currently Chair of Source Energy and Board member of Norges Bank.

She has held senior executive roles in companies such as former Statoil, Aker Solutions and Kvaerner and has been Board member of Giek, Trelleborg AB, Peab AB, Bladt Industries A/S and NTNU.

Mrs Udnes Tronstad has a MSc in chemical engineering from the Norwegian University of Science and Technology (NTNU) and resides in Norway.

Halvard Idland
Non-executive Director

Mr. Idland has more than 20 years of industrial and financial investment experience in the oil and gas industry in Norway and Brazil, having worked in companies such as DNB, Aker Yards Brasil, DOF Brasil and Pareto. Mr Idland is currently co-founder and director of DBO Energy, a private upstream E&P investments company, and of Janeiro Energy, a company that develops and invests in energy transition and technology.

Mr. Idland is currently also Board Member in Maha Energy AB, Energi.ai AS and Chairman of the Board for Dream Learn Work, an NGO providing technical education for underprivileged youth.

Mr Idland has a M.Sc. in Economics and Business Administration from the Norwegian School of Economics (NHH).

Board of Directors report

Prosafe SE, the “Company” or the “Parent Company”, is a leading owner and operator of semi-submersible accommodation vessels. The Company and its subsidiaries are referred to as the “Group” or “Prosafe”.

At year-end 2024, Prosafe owned and operated six semi-submersible accommodation, safety and support vessels and one tender support vessel (TSV) that can also operate as an accommodation vessel. The fleet offers high quality accommodation and support services to the offshore oil and gas industry with a global track record. The Parent Company is domiciled in Norway and is the ultimate owner of all Group companies. Prosafe is listed on the Oslo Stock Exchange with ticker code PRS.

Introduction

In 2024, Prosafe experienced increased activity with four units working for the full year. The active vessels had 99 had per cent utilisation. A total of USD 127 million of firm future revenue was added to the backlog from new contracts for Safe Caledonia and the Safe Boreas for 2025 and 2026 work, and options declared for Safe Concordia during the year. Additionally, in early January 2025, a USD 109 million contract extension for Safe Zephyrus was signed with Petrobras.

Strategy

Prosafe’s strategy is to be a preferred supplier of high-end offshore accommodation vessels and Units for Safety and Maintenance (USM) globally. Prosafe expects improving demand for accommodation vessels and services in the coming years led by Brazil’s investment program for new Floating Production Storage and Offloading (FPSO) units and required field maintenance in the North Sea. Prosafe believes sector returns will improve on the back of the increased demand for high-end vessels amid limited supply.

Operations and projects

At year-end, the fleet comprised seven fully owned vessels, plus two new builds, the Safe Nova and the Safe Vega, at yard in China. Vessel specifications and details of the current contracts can be found on the Company’s website https://www.prosafe.com/fleet/vessels/

Safe Notos has operated for Petrobras in Brazil since December 2016. The vessel is currently on a four-year contract that commenced in 2022, in direct continuation of the previous contract.

Safe Eurus has been operating for Petrobras in Brazil since December 2019. In February 2023, the vessel commenced its second four-year period as a USM in direct continuation of the previous contract.

In April 2023, Safe Zephyrus started operation for Petrobras in Brazil on a 650-day contract. During 2024,Prosafe and Petrobras agreed to a 954-day extension to the contract which was signed in January 2025.

In August 2023, Safe Concordia commenced a 330-day firm contract in the US Gulf of Mexico with up to six months of options to extend the duration. During 2024, the client declared all options periods and extended the work by further two months until March 2025. In February 2025, Prosafe agreed to sell the vessel to an undisclosed party for a gross price of USD 5 million. The vessel was delivered to the new owner upon completion of the contract.

In March 2025, the Safe Scandinavia was divested for recycling.

In August, Prosafe signed a 15-month contract with up to six months of options for Safe Boreas with a window for contract start in Australia between 1 October 2025 and 1 April 2026. The Safe Boreas will mobilise from the North Sea in second quarter of 2025 after undergoing reactivation work and its five-yearly special periodic survey. The value of the contract is approximately USD 75 million to USD 100 million depending on options. The start-up window has been narrowed to mid November 2025 to mid February 2026.

Also in August, Prosafe signed a contract with Ithaca Energy (UK) Limited for the Safe Caledonia for accommodation support at the Captain field in the UK North Sea commencing in June 2025 following reactivation work and special periodic survey. The firm duration is six months with up to three months of options, and the total value of the contract is approximately USD 26 million to USD 37 million depending on options.

Prosafe places a high priority on its responsibility towards sustainable business, aligning its business strategy with its core values of protecting the environment, people and compliance with governance standards. Prosafe works closely with clients and stakeholders to reduce negative impacts to the air, sea or other stakeholders from operations.

Order backlog

The total order backlog[1] on 31 December 2024 amounted to USD 370 million of which USD 334 million relates to firm contracts and USD 36 million relates to options. The backlog includes the contracts awarded to Safe Boreas, Safe Caldonia and Safe Zephyrus, as well as the extension period for Safe Concordia. The secured utilisation for 2025 is currently 70.0 per cent.

Market

The market for offshore accommodation vessels is driven by maintenance, modification and life extension of existing oil and gas infrastructure as well as the hook-up and installation of new platforms and FPSOs. Investments in oil and gas activity are expected to increase in the coming years, which is expected to lead to higher offshore activity and demand. Several new FPSOs will come on stream, in different regions, over the next years, which is expected to further drive demand for accommodation vessels.

Brazil

The main demand driver in Brazil is investments in maintenance and modification work on the large and growing fleet of FPSOs. Semi-submersible accommodation vessels remain the preferred design for long-term charter contracts with Petrobras and other international FPSO operators. Prosafe considers Brazil and the nearby region as a key market. Demand for high-end accommodation vessels is increasing with eleven units active in 2024, up from five units in mid-2018.

Recently, Prosafe signed an extension for Safe Zephyrus. Long-term work in Brazil for high-end units could further reduce available capacity in the North Sea and other markets going forward.

North Sea: Norway and UK

The North Sea (UK and Norway) is a key market. In 2024, the Company had two vessels idle and available for charter in the North Sea. Both these units have been awarded contracts and will start or mobilise to work in Australia and the UK North Sea in 2025.

Beyond 2025, the Company expects higher activity levels due to increased demand for accommodation to meet project requirements in both Norway and the UK as North Sea operators are planning significant maintenance and tie-in campaigns. There is ongoing bidding for 2026 and onwards with potential contract awards in 2025.

Future accommodation vessel demand will likely be driven by the continued need for oil and gas throughout the energy transition and high energy prices motivating investments in field development and maintenance. The timing of demand will ultimately depend on several factors including, amongst others, capacity in the offshore industry supply chain, the timing of project investment decisions and execution, the oil price and the regulatory environment.

Rest of the world

Demand for semi-submersible offshore accommodation units in geographical markets outside the North Sea and Brazil is characterised by low visibility. Opportunities are monitored and pursued on an opportunistic basis as confirmed by the contract award for Safe Boreas in Australia.

[1] Order backlog = amount of contracted revenue not yet recognised in the income statement

Health, safety, security and the environment (HSSE)

Robust HSSE performance is fundamental to all Prosafe's operations. Prosafe works proactively and systematically to reduce incidents, injuries and absence.

Prosafe operates with a zero-incident philosophy which means that no accidents or serious incidents are acceptable. Multiple initiatives have been implemented over the years to further strengthen the safety culture. These and new initiatives will be continuously developed to improve safety performance.

In 2024, Prosafe recorded no incidents classified as a Lost Time Injury (LTI) (2023: 1), i.e. those injuries resulting in an employee being absent from the next work shift due to the injury. Sick leave was 1.17 per cent in 2024, an increase from 0.99 per cent in 2023.

In 2024, Prosafe had no accidental discharges to the natural environment (2023: 1). Prosafe continues to actively work to avoid accidental discharges and reduce emissions by adapting its fleet and operating procedures and practices. This includes continued focus on energy management after being ISO 50001 Energy Management accredited in January 2022.

The impact to the external environment from Prosafe's operations is reported in detail in the sustainability section of this report.

Human resources and diversity

Prosafe's offshore headcount will fluctuate as a function of each contract, which is characterised by both long- and short-term contracts with international mobilisations. The offshore crews in certain geographical locations may consist of agency personnel on short-term, contract-specific engagements in addition to full time crew.

Prosafe had 281 employees at the end of 2024 (average 268), compared with 255 in 2023 (average 222). The increase is mainly due to the nationalisation of crew in Brazil where Prosafe has long-term contracts.

The voluntary employee turnover in the Group was 17.2 per cent in 2024, compared with 15.7 per cent in 2023. The increase reflects higher activity in the year with four vessel working for the full year.

Prosafe operates an equal opportunity policy. Men have, however, traditionally made up a greater proportion of the recruitment base for offshore operations, and this is reflected in Prosafe's gender breakdown. Prosafe aims to offer the same opportunities to all and there is no discrimination with respect to recruitment, remuneration or promotion, age, disability, gender, marriage and civil partnership, pregnancy and maternity, nationality, religion or belief, and sexual orientation.

Corporate Social Responsibility reporting

Prosafe considers Corporate Social Responsibility (CSR) as an integral part of being an efficient, future looking and value-generating business for its stakeholders. Prosafe is committed to maintaining high ethical, social, environmental and governance standards, identifying, addressing and reporting its impact, and creating sustainable values for the benefit of its stakeholders and the society at large wherever the Company operates.

Prosafe is committed to identifying, addressing and reporting its sustainability impacts. The Company has established governance and management structures which clearly set out the responsibility and accountability within the business for Environmental, Social and Governance (ESG) impacts. The company uses internationally recognised standards for identifying (GRI) and reporting (SASB) material topics.

In 2024, Prosafe completed its double materiality assessment. The scope of future sustainability reporting will be considered in light of new regulations which aim to reduce complexity for companies of Prosafe's size as proposed in the EUs Omnibus package announced in February 2025.

Prosafe is committed to the highest standards of business ethics and shall comply with all applicable laws, including the Norwegian Transparency Act and the UK Modern Slavery Act, regulations and the Company's policies and procedures.

To meet the requirements of the Transparency Act, Prosafe endeavours to ensure that its Health, Safety, Security, Environmental, Quality (HSSEQ) and Corporate Social Responsibility (CSR) principles, including those relating to conflicts of interest, Anti-corruption, Human Rights, and Labour Standards are integrated in our operations and those of our Supply Chain. A full Norwegian Transparency Act Statement is published as a separate report to this annual report.

Corporate governance

Sound corporate governance is a priority for maintaining and strengthening confidence in Prosafe among shareholders, capital markets, clients and other stakeholders. Corporate governance helps to ensure maximum value creation over time in the best interest of shareholders, employees and other stakeholders. Prosafe's corporate governance framework is based on the Norwegian Code of Practice for Corporate Governance of 14 October 2021. Please see the separate Corporate Governance section of the annual report for more information.

On 7 May 2024, the Annual General Meeting re-elected Glen Ole Rødland (Chair), Birgit Aagaard-Svendsen, Nina Udnes Tronstad and Halvard Idland to the Board of Directors. On 30 December 2024, Gunnar Winther Eliassen, who was elected Director and Deputy Chair of the Board at the Extraordinary General Meeting on 22 February 2024, resigned as Director. At 31 December 2024, the Board comprised of four members. The remuneration of the Board is disclosed in note 6 to the consolidated accounts.

The Company has a Directors & Officers liability insurance that covers Directors and executive management. The total limit of the coverage is USD 40 million.

Financial results, financing and financial position of the Group

(The figures in brackets correspond to the 2023 comparatives)

Income statement

Operating revenues totalled USD 139.8 million in 2024 (USD 97.7 million), while fleet utilisation[2] increased to 57.0 per cent (41.0 per cent). The increase in utilisation reflects that four rigs were working the full year with 99 per cent utilisation during the year.

Operating expenses increased to USD 112.6 million (USD 108.2 million), due to higher utilisation.

Depreciation, amortisation and impairment amounted to USD 41.4 million (USD 31.1 million). The increase was mainly due to an impairment of Safe Concordia which was sold in February 2025.

The operating loss was USD 14.2 million (USD 41.6 million).

Interest expenses totalled USD 31.1 million (USD 30.9 million). For further information, refer to note 10 and note 14 of the consolidated accounts.

Financial items other than interest expenses were positive USD 0.7 million (negative USD 0.7 million). Refer to note 9, 10 and note 14 of the 2024 consolidated accounts for more details.

[2] Utilisation = actual vessel days in operation in the period / possible vessel days in the period x 100

Tax expense for 2024 was USD 2.1 million (income of USD 5.4 million), mainly related to the reversal of a UK tax provision from 2016 after a His Majesty's Revenue & Customs (HMRC) ruled in Prosafe's favour in 2023.

Net loss amounted to USD 46.7 million (USD 67.8 million), resulting in loss per share of USD 2.61 (USD 6.00). Fully diluted loss per share was USD 2.61 (USD 6.00).

At year-end, Prosafe had 17,868,651 ordinary shares outstanding.

Financial position

Total assets amounted to 442.7 million (USD 492.7 million) at the end of 2024. Investments in tangible assets totalled USD 14.4 million (USD 33.9 million).

At year-end 2024, the Group had a total liquidity reserve in the form of liquid assets (cash and deposits) of USD 46.8 million (USD 74.6 million). Total restricted cash at year-end 2024 was USD 2.0 million (USD 2.2 million).

Total shareholders' equity amounted to negative USD 13.2 million (USD 33.8 million), resulting in an equity ratio of (3.0) per cent (6.9 per cent).

Interest-bearing debt decreased to USD 415.9 million (USD 419.5 million) at year-end.

The interest-bearing debt agreements are subject to termination, repayment or buy back clauses in the event of a change of control of the Group (as control is defined in the relevant agreements). The Group complied with the only financial covenant of USD 28 million minimum cash at year-end 2024[3]. Please refer to note 14 of the consolidated accounts for further information.

Net cash flow in 2024 was USD (27.8) million (USD (17.0) million). The decrease in cash flow is mainly due to positive cash flow from financing activities driven by share issues completed in 2024. Net cash flow from operating activities amounted to USD 23.1 million (USD (11.5) million). The increase is mainly due to higher utilisation. Total cash flow used in investment activities amounted to USD 14.4 million (USD 33.9 million), mainly related to long lead items for special periodic survey (SPS) in 2025, vessel upgrades and maintenance to comply with contract requirements.

Financial results and financial position of the Parent Company

The net loss for the year amounted to USD 45.7 million (USD 58.5 million). Net financial items amounted to a loss of USD (28.5) million (USD (26.5) million).

Total net assets for the year amounted to negative USD 40.4 million (positive USD 4.5 million).

[3] The Minimum Liquidity is calculated on each quarter date and excludes cash balance held under the New Group (Prosafe Offshore Holding Pte. Ltd., Safe Eurus Singapore Pte. Ltd., Axis Nova Singapore Pte. Ltd. and Axis Vega Singapore Pte. Ltd). As of end December 2024, the New Group's cash position was USD 2.3 million (USD 4.3 million).

Dividends

Prosafe's long-term objective is to provide shareholders with a competitive, risk-adjusted yield on their shares through a combination of share price appreciation and direct return in the form of dividend.

Under the latest amended and restated facility agreements following the restructuring in December 2021, dividends may only be paid after obtaining prior written consent of two thirds of the lenders.

As the Company has resolved to reduce the share capital for coverage of loss that cannot be covered otherwise without notice to the creditors, a resolution to distribute dividends may not be adopted until three years have elapsed from the registration in the Norwegian Register of Business Enterprises in May 2022 unless the share capital subsequently has been increased by an amount at least equal to the reduction.

Going Concern

The Board of Directors confirms that the accounts have been prepared under the assumption that the Company is a going concern. In 2024, the combination of a slow North Sea market and investments related to preparations for new contracts impacted liquidity. At 31 December 2024, Prosafe complied with the minimum liquidity covenant.

During 2024, Prosafe initiated discussions with its lenders to establish a sustainable capital structure. The discussions reflected Prosafe's growing contract backlog, investments required for new contracts, the expectation that the liquidity covenant would be challenged during the second quarter of 2025, as well as the December 2025 debt maturities.

On 24 April, Prosafe announce that it has agreed the terms of a recapitalisation (the “Transaction”) with lenders representing the Company's USD 250 million loan facility and its USD 93 million loan facility (the “Existing Facilities”), subject to final approvals being obtained by all lenders. The Transaction is also supported by shareholders representing 54% of the shares in the Company.

The Transaction involves the equitisation of USD 193 million of the Existing Facilities in return for 90% of the shares in Prosafe post Transaction. Existing shareholders will initially hold 5% of the shares in the Company and will be offered an additional 5% of shares in the form of penny warrants (at EUR 0.01 per share).

The Transaction also includes a reinstatement of the Existing Facilities and new money financing on the following basis (together, the “New Facility”):

a. a super senior secured facility of USD 150 million, comprising (i) USD 75 million by way of new money injections, backstopped by an ad hoc group of creditors, and (ii) USD 75 million of elevated and reinstated debt under the Existing Facilities, each maturing 31 December 2029 (or, subject to certain conditions, the date on which the Eurus Seller's Credit falls due); and
b. a reinstated senior secured facility comprised of USD 75 million of reinstated debt maturing 31 December 2029 (or, subject to certain conditions, the date on which the Eurus Seller's Credit falls due).

The post Transaction shareholdings above are calculated based on an assumption of full exercise of shareholder warrants, but before any new management incentive program which may be established post Transaction.

The Transaction shall include the following features (among other things):

a. the establishment of a new Norwegian domiciled holding company, shares of which will be charged to lenders under the New Facility, to be interposed between the Company and certain of its subsidiaries;
b. no fixed amortisation in respect of the New Facility, which shall be repayable in full at maturity;
c. a fee (the “Fee”) shall be payable to the lenders of the super senior secured facility of USD 5 million at maturity; and
d. interest of SOFR + margin (sized to 11% per annum) on the New Facility, payable in cash. The senior secured facility will include the ability for the Company to pay 2% cash interest and 9% PIK interest as an alternative to 11% full cash interest subject to certain conditions.

The Transaction will provide the Company with a sustainable capital structure and sufficient liquidity to meet its capital expenditure and working capital needs for the foreseeable future. Total gross debt post the Transaction will be approximately USD 306 million, consisting of a USD 155 million super senior facility (including the Fee), a USD 75m senior facility and the USD 75.5 million remaining Cosco Seller’s Credit for Safe Eurus. Total net debt post the Transaction will be approximately USD 220 million, with unrestricted liquidity (after transaction costs) of approximately USD 80 million.

Transaction completion is subject to agreeing customary documentation with lenders and shareholders, final lender approvals and formal shareholder approvals (including approval at an extraordinary general meeting of the Company’s shareholders).

The Company has been granted a waiver from its lenders under the existing USD 250 million loan facility and a forbearance from its lenders under the existing USD 93 million loan facility until 31 July 2025, in both cases with respect to interest payments. The minimum liquidity covenant under the respective facilities has also been reduced to USD 10m.

The Company aims to conclude the Transaction by Q3 2025. The Company will make further announcements as and when there are further developments regarding implementation of the Transaction. Notice to convene an extraordinary general meeting of the Company’s shareholders to approve the Transaction was issued 25 April 2025.

Having assessed all available information about the future, the Board and management have prepared the annual account for 2024 on a going concern basis. Refer to Note 14 for information on the minimum liquidity covenant. For more information refer to note 2 of the consolidated accounts.

Shareholders and share capital

At 31 December 2024, the 20 largest shareholders held a total of 68.6 per cent of the issued shares. The number of shareholders was 4,069. Please see the Shareholder Information section of the annual report for more information.

As at 31 December 2024, Prosafe had an issued share capital of 17,868,651 ordinary shares, all at a nominal value of EUR 1.25 each.

Selected employees have been offered share options to the Company's shares as an element of employee renumeration. If the Company has own shares, the Company may allot own shares instead of issuing new shares when share options are exercised. All share options are offered at strike prices that reflect the market price of the shares at the time of allotment of the rights.

The Company's loan agreements include change of control clauses as well as restrictions on mergers, acquisitions, investments, additional financial indebtedness and dividends. The loan agreements also include a cash sweep provision and a quarterly minimum liquidity covenant. Lender consent under the loan agreements requires two-thirds lender approval. More information is provided in note 14 to the consolidated accounts.

Further information on the share capital and changes are described in note 13 to the consolidated accounts.

Risk

Prosafe categorises its primary risks under the following headings: strategic, commercial, operational, compliance and legal, financial, climate and cyber-security related. The Group's Board of Directors and senior executives manage these risk factors through continuous risk assessments, reporting and periodic reviews in management and Board meetings, and as part of the rolling strategy and planning processes.

The Group aims to create shareholder value by allocating capital and resources to the business opportunities that yield the best return relative to the risk involved within its specified strategic direction.

Prosafe seeks to reduce its exposure to operational, financial and compliance related risk through proper operating routines, the use of financial instruments and insurance policies. The Company has no hedging facilities available following the financial restructuring 2021.

Commercial risk comprises macro factors such as oil price and industry specific factors such as the supply/demand balance, competitive position, new development solutions, climatic conditions, and new ways of executing offshore projects.

In addition, the demand for accommodation units is sensitive to other incidents that may impact the general state of the world economy, general activity and spend levels, and demand for natural resources. Global incidents like pandemics and conflicts with a material impact on capital markets and the oil price may negatively impact activity in the oil and gas industry, and thereby also demand for accommodation services.

The Group is exposed to financial risks such as currency risk, interest rate risk, financing and liquidity risk, credit risk and counterparty risk.

Prosafe maintains an active overview of and relations with lenders, capital market participants and investors to secure the best possible access to capital markets if and when needed.

Prosafe is exposed to liquidity risk, which is the risk that Prosafe will not be able to meet its financial obligations when they become due. Liquidity risk sources include, but are not limited to, contract cancellations, customers not paying charter rates under contracts and low demand for accommodation vessels in the future. Prosafe manages liquidity at the Group level as per the Board approved Finance Policy. The Group monitors the liquidity development and the risk of insufficient capital by rolling cash flow forecasts. Liquidity is managed on a low risk and highly liquid basis, primarily in deposits with its main lending banks. The Group has in March 2025 agreed a forbearance with its lenders reducing the cash covenant ti USD 10 millions and that interest payments are deferred to loan maturity. This reduces the risk of early repayment of loans, however there is a risk of not being able to refinance before maturity.

Prosafe reports in USD and generates income primarily in USD, whereas a large part of its operating costs is in other currencies such as GBP, Euro, Brazilian Real and Norwegian Krone. The currency mix will, however, vary with areas of operation. This exposure as identified based in rolling forecasts may be hedged according to the Group's Finance Policy. Interest rate- and currency risk were unhedged at year-end.

The Group carries out credit checks on clients as part of its tendering processes and has a history of minimal loss from debtors. There are no material overdue receivables as at year-end.

Prosafe is committed to ensuring the highest standards of data security and privacy for its employees, stakeholders and clients. To achieve this, the Company complies with GDPR regulations and best practices and has in place a number of procedural and organisational controls and protective measures. This includes continuous evaluation of new options to improve cyber-security measures, including control of remote access to IT and OT systems, and mail security. Prosafe also runs security awareness campaigns to educate its employees on best practices for working from home and maintaining data security vigilance.

Further information on financial risk management is provided in note 18 to the consolidated accounts.

The main features of Prosafe's risk management process are available on the website at https://www.prosafe.com

Internal controls

Internal control is ensured in accordance with Prosafe's policies and procedures which aim to ensure the effectiveness and efficiency of its operations, reliability of its financial reporting and compliance with applicable laws and regulations. These policies and procedures are designed, inter alia, to safeguard assets and protect from accidental loss or fraud.

In addition, the policies and procedures are reinforced by the organisation and the competence of its personnel, segregation of duties, regular risk assessments, internal reporting, management meetings, Board meetings and the Audit Committee.

In respect of internal controls relating to the preparation of financial statements, the Board demonstrates independence from management and exercises oversight of the development and performance of internal controls. Management establishes, with Board oversight, structures, reporting lines, and appropriate authorities and responsibilities. In addition to the ongoing reviews by executive management, annual reviews and assessments are carried out which are approved by the Board in respect of risk management and internal controls.

The Group carries out regular reviews to ascertain whether the internal controls are present and functioning and evaluates and communicates any internal control deficiencies in a timely manner to those parties responsible for taking corrective action, including senior management and the Board, as appropriate. Audits carried out by external parties like the financial auditor, clients and regulatory authorities and the reporting and follow-up of these are important elements to ensure continuous focus on and improvement of internal controls.

The Group has during 2024 prepared for implementation of a new ERP system in early 2025 to strengthen its internal controls

Subsequent events

In February 2025, the Group entered into an agreement to sell Safe Concordia for USD 5 million before commissions and expenses.

In March 2025, the Group entered into an agreement to sell Safe Scandinavia for recycling for USD 3 million before commissions and expenses

On 24 April, Prosafe announce that it has agreed the terms of a recapitalisation (the "Transaction") with lenders representing the Company's USD 250 million loan facility and its USD 93 million loan facility (the "Existing Facilities"), subject to final approvals being obtained by all lenders. The Transaction is also supported by shareholders representing 54% of the shares in the Company.

The Transaction involves the equitisation of USD 193 million of the Existing Facilities in return for 90% of the shares in Prosafe post Transaction. Existing shareholders will initially hold 5% of the shares in the Company and will be offered an additional 5% of shares in the form of penny warrants (at EUR 0.01 per share).

The Transaction also includes a reinstatement of the Existing Facilities and new money financing on the following basis (together, the “New Facility”):

a. a super senior secured facility of USD 150 million, comprising (i) USD 75 million by way of new money injections, backstopped by an ad hoc group of creditors, and (ii) USD 75 million of elevated and reinstated debt under the Existing Facilities, each maturing 31 December 2029 (or, subject to certain conditions, the date on which the Eurus Seller's Credit falls due); and
b. a reinstated senior secured facility comprised of USD 75 million of reinstated debt maturing 31 December 2029 (or, subject to certain conditions, the date on which the Eurus Seller's Credit falls due).

The post Transaction shareholdings above are calculated based on an assumption of full exercise of shareholder warrants, but before any new management incentive program which may be established post Transaction.

The Transaction shall include the following features (among other things):

the establishment of a new Norwegian domiciled holding company, shares of which will be charged to lenders under the New Facility, to be interposed between the Company and certain of its subsidiaries;

no fixed amortisation in respect of the New Facility, which shall be repayable in full at maturity;

a fee (the “Fee”) shall be payable to the lenders of the super senior secured facility of USD 5 million at maturity; and

interest of SOFR + margin (sized to 11% per annum) on the New Facility, payable in cash. The senior secured facility will include the ability for the Company to pay 2% cash interest and 9% PIK interest as an alternative to 11% full cash interest subject to certain conditions.

The Transaction will provide the Company with a sustainable capital structure and sufficient liquidity to meet its capital expenditure and working capital needs for the foreseeable future. Total gross debt post the Transaction will be approximately USD 306 million, consisting of a USD 155 million super senior facility (including the Fee), a USD 75m senior facility and the USD 75.5 million remaining Cosco Seller's Credit for Safe Eurus. Total net debt post the Transaction will be approximately USD 220 million, with unrestricted liquidity (after transaction costs) of approximately USD 80 million.

Transaction completion is subject to agreeing customary documentation with lenders and shareholders, final lender approvals and formal shareholder approvals (including approval at an extraordinary general meeting of the Company's shareholders).

The Company has been granted a waiver from its lenders under the existing USD 250 million loan facility and a forbearance from its lenders under the existing USD 93 million loan facility until 31 July 2025, in both cases with respect to interest payments. The minimum liquidity covenant under the respective facilities has also been reduced to USD 10m.

The Company aims to conclude the Transaction by Q3 2025. The Company will make further announcements as and when there are further developments regarding implementation of the Transaction. Notice to convene an extraordinary general meeting of the Company's shareholders to approve the Transaction was issued 25 April 2025. The Board and management view that achieving a long-term sustainable financial structure is realistic and have therefore prepared the annual report on a going concern basis.

Outlook

Prosafe is well positioned in a market with increasing demand, utilisation and day rates. Material commercial progress in 2024 has led to increased revenue backlog and visibility on utilisation into 2027.

The Company is focused on capturing relevant market opportunities which provide sustainable day rates for long-term value creation in a tightening market. Prosafe expects that the increase in utilisation, improved rates and earnings growth will provide a favourable backdrop for refinancing and fleet growth, including potentially taking delivery of Safe Nova and Safe Vega from the COSCO yard.

The Company will seek to play an active role in any future consolidation of the offshore accommodation market. The Company may also consider adjacent business development opportunities within niches of the energy sector as well as other ocean industries where Prosafe can on a sustainable basis create shareholder value.

30 April 2025
The Board of Directors of Prosafe SE

This document is signed electronically

Glen Ole Rødland
Non-executive Chair

Birgit Aagaard-Svendsen
Non-executive Director

Nina Udnes Tronstad
Non-executive Director

Halvard Idland
Non-executive Director

Terje Askvig
Chief Executive Officer

Corporate governance

Prosafe SE is committed to ensuring that high standards of corporate governance are maintained to support the greatest possible value creation over time in the best interests of shareholders, employees and other stakeholders.

Prosafe SE is a European public Company (Societas Europaea) listed on the Oslo Stock Exchange. The corporate governance framework forms the basis for a transparent business model with a clear segregation of roles, responsibilities and accountabilities between shareholders, the Board of directors and executive management. Corporate governance in the Company follows the principles contained in the Norwegian Code of Practice for Corporate Governance in its latest version of 14 October 2021 (the "Code of Practice").

1. Implementation and reporting on corporate governance

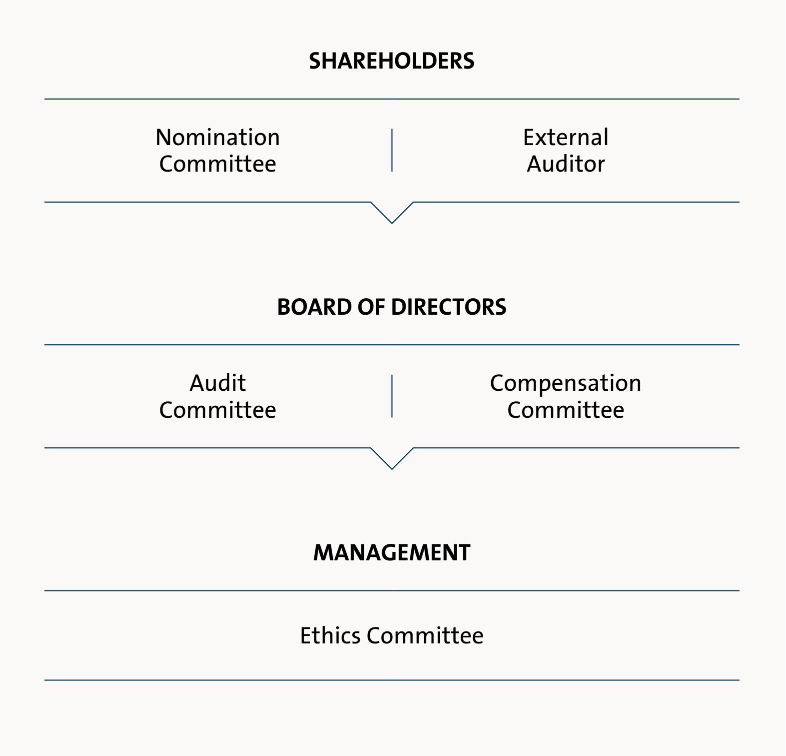
This report on Corporate Governance accounts for the Company's corporate governance principles and practices as required by the Accounting Act Section 3-3b and how Prosafe complies with the Code of Practice. Application of the Code of Practice is based on the "comply or explain" principle, which stipulates that any deviations from the Code should be explained. In the Company's own assessment, Prosafe deviated from section 2, 11 and 14 of the Code of Practice at year-end 2024.

- Equity and capital structure are not considered appropriate to the Company's objective, strategy and risk profile
- The Board of Directors have been granted share options in Prosafe in exchange for reduced remuneration to ensure that the Board have a meaningful part of their compensation tied to the Company's equity value development.
- The Board has not formally established guiding principles for how it will act in the event of a take-over bid

The Code of Practice covers 15 topics which are designed to ensure that the division of roles between shareholders, the Board of Directors ("the Board" and the Company's senior executive management is regulated in a way that strengthens confidence among shareholders, employees, the capital market and other interested parties to ensure control and compliance, equal treatment of shareholders and maximum value creation over time.

The Company's Corporate Governance Report covers every section of the Code of Practice and is included in the annual report.

Governance structure



2. The business

Prosafe's business is defined in Article 3 of the Company's Articles of Association:

Prosafe SE shall own and operate vessels and other offshore tonnage, related to oil and gas activities, as well as conduct any activity related to ownership and operation related to this. Prosafe SE may invest in companies within the same or other sectors.

The Board of Directors has established objectives, strategies, and a risk profile for the business to create value for its shareholders in a sustainable manner, considering economic, social and environmental considerations. The Company's objectives, strategies and risk profile are subject to at least an annual review by the Board. The reviews are supplemented by ongoing dialogue between the Board and senior executive management, monthly reporting and ad hoc weekly reporting and updates of all significant matters.

3. Equity and dividends

Equity and capital structure

Prosafe's consolidated shareholders' equity as at 31 December 2024 amounted to USD negative 13.2 million (2023: positive USD 33.8 million), equivalent to negative 3.0 per cent (2023: 6.9 per cent) of the Group's total assets. The negative equity reflects net losses incurred following the 2021 debt restructuring. In April 2025, Prosafe announced an agreement for creating a sustainable capital structure with lenders which includes conversion of existing debt to equity and a new super senior facility, and the provision of additional liquidity through a new senior secured facility. The completion is subject to approval by Prosafe's general meeting.

Dividend policy

Prosafe's longer term ambition is that its shareholders receive a competitive return on their investment in the Company through a combination of share price appreciation and a direct return in the form of dividends. The Company has not paid dividends since 2015. Current loan agreements stipulate that dividends may only be paid after obtaining prior written consent of two-thirds of the lenders.

Board authorisations

Mandates and authorities for different purposes such as increase of share capital or share buy-backs are considered separately at each annual general meeting ("AGM") and are generally limited in time and valid to the date of the next AGM. At 31 December 2024, the Board held the following mandates for share capital increases:

- Authorisation to increase the Company's share capital by up to EUR 2,335,000 for general company purposes. Subject to this aggregate amount of limitation, the authority may be used on more than one occasion. The pre-emptive rights of shareholders may be set aside by the Board.
- Authorisation to increase the Company's share capital by up to EUR 285,000. Subject to this aggregate amount of limitation, the authority may be used on more than one occasion. The authorisation may be used in connection with the group's incentive schemes.

4. Equal treatment of shareholders

Pre-emption rights to subscribe

Should the Board wish to propose that the general meeting departs from the pre-emptive right of existing shareholders relating to any capital increase, such a proposal will be justified by the common interest of the Company and the shareholders, and the reasons for the proposal will be presented in the notice of the general meeting as well as publicly disclosed in a separate stock exchange announcement. There were no private placements of new shares in 2024.

Trading in own shares

In the event of a share buy-back programme, the Board of Directors will aim to ensure that all transactions are carried out either through the trading system or at prevailing prices at the Oslo Stock Exchange. In the event of such programme, the Board of Directors will take the Company's and shareholders' interests into consideration and aim to maintain transparency and equal treatment of all shareholders. If there is limited liquidity in the Company's shares, the Company shall consider other ways to ensure equal treatment of all shareholders. In 2024, there were no transactions in own shares.

5. Shares and negotiability

Prosafe has one class of shares in issue and all shares are equal in all respects. The shares are freely transferrable on the Oslo Stock Exchange. The Company's Articles of Association place no limitations on voting or restrictions on any party's ability to own, trade or vote for shares in the Company.

6. General meetings

The Board of Directors will make its best effort to facilitate that as many shareholders as possible may attend and exercise their right to speak and vote at general meetings. Shareholders holding at least 5 per cent of the issued and voting shares are entitled to submit matters for inclusion on the agenda of a general meeting. An EGM can be called by the Board of Directors if deemed necessary or be requested by the Company's auditor or shareholders representing at least 5 per cent of the Company's share capital.

Written notice of an GM and a calling for adoption of a special resolution is sent out not later than twenty-one days before the scheduled meeting unless special notice is required by law. The resolutions and supporting information will sufficiently detailed, comprehensive and specific to allow shareholders to form a view on all matters to be considered at the meeting. Both these and any recommendations of the Nomination Committee enabling shareholders to take an informed position on all matters to be discussed will be made available within the relevant timeframe on the Company's website.

Shareholders wishing to attend the general meeting, either in person or online, must notify the Company of this intention before the deadline stipulated in the notice. The Board aims to facilitate the attendance of as many shareholders as possible. As stipulated in Prosafe's Articles of Association, shareholders intending to participate in the general meeting shall notify the Company of this no later than two days prior to the general meeting.

The Chair (or in exceptional circumstances, another member of the Board), the auditor and the Chair of the Nomination Committee attend the general meetings. Prosafe wishes to facilitate a dialogue with shareholders at the general meeting, and therefore encourages all Board members to attend. The Chair normally chairs the general meetings and the Board ensures that the general meeting is able to appoint an independent chair.

Prosafe prepares proxy forms and conducts the voting arrangements at the meeting in a form and manner which allows shareholders to vote separately on each matter to be considered by the meeting and for each of the candidates nominated for election.

The 2024 AGM was held on 17 May 2024 with 17.81 per cent of the share capital represented. The Company held an EGM on 22 February 2024 with 21.71 per cent of the share capital present.

7. Nomination Committee

The Nomination Committee is governed by the Articles of Association's section 8. The AGM on 7 May 2024, re-elected Thomas Raaschou (Chair) and Annette Malm Justad to the Nomination Committee for a period of one year. Furthermore, Ryan Schedler was elected to the Nomination Committee at an EGM on 22 February 2024. The committee members are independent of the Board of Directors and senior executive management.

The general meeting stipulates the guidelines for the duties of the committee and determines the committees' remuneration. The current instructions were revised in 2019 and approved by the AGM.

The Nomination Committee submits its recommendations to the general meeting for election of and compensation to members of the Board of Directors, in addition to members of the Nomination Committee. Each proposal is justified on an individual basis. All shareholders may nominate candidates to the Board. Relevant deadlines for submitting proposals for candidates to be appointed to the Board or the Nomination Committee are published on the Company's website in due time before the AGM takes place.

The Nomination Committee held 6 meetings in 2024. Average meeting attendance was 88 per cent.

Name	Role	Date first appointed	Date due for re-election
Thomas Raaschou	Chair	May-11	May-25
Annette Malm Justad	Member	May-16	May-25
Ryan Schedler	Member	Feb-24	May-25

8. Board of directors: composition and independence

Name	Role	Date first appointed	Date due for re-election	Meeting attendance (%)	Shareholding
Glen Ole Rødland	Chair	Mar-16	May-25	100	228,667
Birgit Aagaard-Svendsen	Director	Mar-17	May-25	92.3	3
Nina Udnes Tronstad	Director	May-19	May-25	100	7,667
Halvard Idland	Director	May-22	May-25	100	0

Pursuant to the articles of association section 5, the Company's Board of Directors shall consist of three to seven members. On 31 December 2024, the Board consisted of four members. The directors are appointed for one year and all directors may be re-elected in 2025. The general meeting appoints the Chair of the Board.

The AGM on 7 May 2024, re-elected Glen Ole Rødland (Chair), Birgit Aagaard-Svendsen, Nina Udnes Tronstad and Halvard Idland. On 8 January 2024, Simen Flaaten resigned as Director of the Company. The EGM on 22 February 2024, elected Gunnar Winther Eliassen as Director and Deputy Chair of the Board. Mr. Eliassen subsequently resigned as Director on 30 December 2024.

The Board held 13 Board meetings in 2024. Average meeting attendance was 98.4 per cent.

The Board members are independent of the Company's senior executive management and material business contacts and independent of the Company's main shareholders.

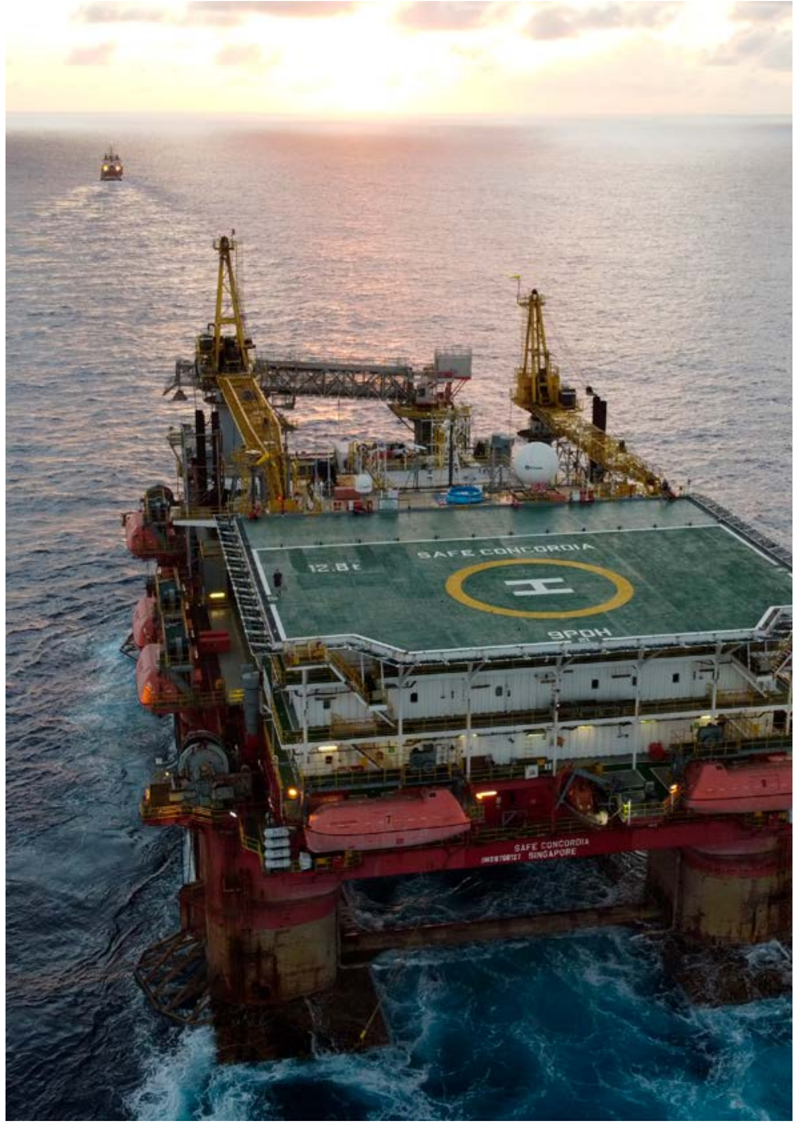
The directors have been appointed to ensure that a broad base of appropriate expertise, capacity and diversity is reflected on the Board. Working constructively together with its committees' and the Company's administration, the Board oversees the strategic direction, targets, reporting, management and control of the Company.

Directors are encouraged to own shares in the Company. Information about each director, their experience and shareholding are available on Prosafe's website.

9. The work of the Board of Directors ("the Board")

The duties of the Board

The Board of Directors is responsible for the overall management of the Company and supervision of day-to-day management, the Company's business activities and the establishment of control systems. The Board has adopted procedures that regulate the duties of the Board of Directors and the Chief Executive Officer (CEO), the division of work between the Board of Directors and the CEO, the annual plan for the Board of Directors, notices of Board proceedings, administrative procedures, minutes, Board committees,



transactions between the Company and the shareholders and confidentiality. The Board of Directors has an annual plan for its work which is revised at regular intervals.

Agreements with related parties

Any transactions between the Company's shareholders, members of the Board, the senior executive management team or close associates of any such parties may only be entered into as part of the ordinary course of business and on arm's length market terms. All such transactions shall, where relevant, comply with the procedures set out in the Norwegian Public Limited Liability Companies Act and the Norwegian Code of Practice for Corporate Governance.

The Board will arrange for a valuation to be obtained from an independent third party for transactions with related parties, including those that are considered immaterial. This Board of Directors report provides information about related party transactions.

Board members shall immediately notify the Board and members of the senior executive management team shall immediately notify the CEO (who, where relevant, will notify the Board) if they have any material direct or indirect interest in any transaction entered into by the Company. For information regarding related party transactions, see note 21 of the consolidated accounts. There were no material transactions with related parties in 2024.

Instructions for the Board and senior executive management

The Board Instructions give an overview of function, duties and responsibility of the Board, including procedures for Board meetings. The Board shall determine the vision, values and long-term objectives of the Company. The Board shall also contribute with external expertise and experience to the Company's management.

The Board has adopted instructions for management specifying their respective duties, authority and responsibilities in relation to the business. The CEO has a particular responsibility for ensuring that the Board receives precise, relevant and timely information enabling it to discharge its duties.

Conflicts of interest and disqualification

The Board has implemented policies and procedures to avoid conflicts of interest between directors, senior executive management, their close associates and external third parties. Members of the Board and senior executive management cannot consider items in which they have a special and prominent interest, cf. the rules on disqualification in the Public Companies Act.

Directors and senior executive management must notify the Board if they have any material direct or indirect personal interest in any agreement concluded by the group. Neither Board members nor the CEO participate in the Board's consideration of any matters that are of material to themselves or any of their related parties. The Board' consideration of material matters in which the Chair of the Board is, or has been, personally involved, shall be chaired by some other member of the Board. In 2024, there were no cases of where conflict of interest was declared by the Board or senior executive Management.

The Board normally meets six to eight times a year, but the schedule is adaptable to take into account relevant commercial, operational and strategic circumstances. The Chair has a particular responsibility for ensuring that the Board's work is well organised and efficiently conducted. The Chair of the Board encourages an open and constructive debate within the Board and with management.

Board Sub Committees

Audit Committee

The Audit Committee acts as a preparatory body for the Board's supervisory role with respect to financial reporting, the internal control system and reporting. It also attends to other tasks assigned to it in accordance with the Audit Committee instructions adopted by the Board of Directors. At 31 December 2024, the Audit Committee comprised Board members Birgit Aagaard-Svendsen (Chair) and Halvard Idland. Both are considered independent of the Company and have relevant skills and experience within accounting or auditing.

The Committee operates based on a generic annual plan and undertakes an examination and evaluation of the adequacy and effectiveness of the organisation's governance, risk management, and internal controls, monitors the financial reporting process and prepares the Board's follow up on such issues. The Audit Committee is tasked from time to time with the carrying out of special investigations designed to assess the overall risk management system within the Group.

The Audit Committee meets six to eight times a year and holds closed sessions with the appointed auditor on at least an annual basis without the Company's management being present. The appointed auditor participates at all Audit Committee meetings.

The Audit Committee reports and makes recommendations to the Board of Directors, but the Board of Directors retains responsibility for implementing such recommendations.

The Audit Committee held 7 meetings in 2024. Average meeting attendance was 100 per cent.

Name	Role	Date first appointed	Date due for re-election	Meeting attendance (%)
Birgit Aagaard-Svendsen	Chair	May 2017	May 2025	100
Halvard Idland	Member	May 2022	May 2025	100

Compensation Committee

The Compensation Committee is a sub-committee of the Board and its objective is to act as a preparatory body for the Board's work relating to employment terms and performance review for the CEO as well as strategy and principles for remuneration of senior executive management. The Compensation Committee operates based on a generic annual plan. The Committee comprised of Nina Udnes Tronstad (chair), Simen Flaaten (through January 2024), Gunnar Eliassen (March–December 2024). At the 31st December 2024, Mr Eliassen was replaced by Glen Rødland. All committee members are/were independent of the Company's senior executive management.

The Compensation Committee held 5 meetings in 2024. Average meeting attendance was 100 per cent.

Name	Role	Date first appointed	Date due for re-election	Meeting attendance (%)
Nina Udnes Tronstad	Chair	May 2019	May 2025	100
Simen Flaaten	member	Jan 2024	May 2025	100

The Board undertakes an annual assessment of its own performance and expertise, working methods, composition and the manner in which they function. The assessment is made available to the Nomination Committee as a tool for continuous improvement.

10. Risk management and internal control

The Board is responsible for ensuring that sound internal control and risk management systems, that are appropriate for the extent and nature of the company's activities, are in place. The Board conducts an annual review of all risk areas and the internal control procedures.

The Board and senior executive management manage risks through continuous assessments, reporting and periodic reviews in management and Board meetings, and as part of the rolling strategy and planning processes. These risks and associated sensitivities as well as internal control measures are described in more detail at https://www.prosafe.com/investor-information/corporate-governance/risk-management/ and in a separate Risk Management Policy.

The Audit Committee assesses the integrity of Prosafe's accounts and follows up on behalf of the Board on issues related to financial review and external audit of Prosafe's accounts. Furthermore, the Board and the Audit Committee supervise and verify that effective internal control systems are in place, including systems for risk management and financial reporting, and satisfactory routines for following up adherence to the Company's ethical guidelines.

Management maintains a risk and opportunity register that includes all risks of material significance for the Company. This register is reviewed regularly in Board meetings and is followed up by management and the Board in the form of strategies and mitigating actions. The Board conducts also an annual review of all risk areas and the internal control system.

The Senior Executive Management acts to safeguard and support tender processes to ensure client tenders have an acceptable balance between risk and reward, and that awarded projects are driving risk mitigating measures in order to meet quality, delivery and financial targets.

11. Remuneration of the Board

The AGM resolves directors' fees based on the recommendation from the Nomination Committee. The remuneration of the Board reflects its responsibilities, expertise, time commitment and the complexity of the business.

Following the EGM on 22 February 2024, the Board was granted options in Prosafe, while at the same time reducing the Board remuneration. The remuneration of the Board now consists of a fixed cash portion which is not linked to the Company's performance; and an option element, which by nature is variable. The purpose of the revised compensation structure was to create a compensation element linked to the share price development of the Company to ensure that the Board have a meaningful part of their compensation tied to the Company's equity value development.

None of the current Board directors have a pension scheme or agreement concerning pay after termination.

Information relating to the total remuneration for the Board for 2024 is set out in note 6 of the consolidated accounts and the Board's Director and Senior Executive Remuneration Report attached to the 2025 AGM notice.

Based on the need for directors to be independent of the Company's senior executive management, none of the directors has any specific assignments for Prosafe beyond their role as director.

12. Remuneration of executive personnel

The Board determines the terms of employment of the CEO and senior executive management and has prepared guidelines for salary and other remuneration which are clear and easily understandable and contributes to the Company's commercial strategy, long-term interest and financial viability.

Remuneration for senior executive management comprises three principal elements, base pay, variable pay and other benefits such as pension to ensure convergence of the interests of executive management and shareholders. Prosafe aims to provide a competitive total remuneration to attract and retain senior executives with the desired skills and experience.

The variable pay of senior executive management is performance related and cannot exceed the executive's gross annual salary for the same calendar year. The amount paid to an executive under the short-term incentive program and long-term incentive program combined cannot exceed five times his/her annual fixed cash remuneration in the relevant year. The variable pay is linked to the operations and development of the Company and aligned with the Prosafe's strategy, ethical guidelines and values to support sustainable value creation for shareholders.

The Senior Executive Remuneration Report was presented to and adopted by the AGM in 2024. The report was presented for a consultative vote, except for the part regarding guidelines for share-based remuneration or remuneration linked to the Company's share price development which were subject to a separate vote. For further details relating to remuneration paid to senior executive management, see note 6 of the consolidated accounts and the Senior Executive Management Remuneration Policy available on www.prosafe.com.

13. Information and communication

Prosafe has adopted an investor relations policy which covers guidelines for the Company's contact with shareholders and the financial community. In order to ensure equal treatment of shareholders for the purpose of creating a good basis for a fair and correct pricing of the Company's financial instruments, Prosafe aims to provide clear, up-to-date and timely financial and other information about the Company's operations to the financial market. This shall take place through the timely distribution of price-sensitive information to the market, at all times handled in compliance with applicable market rules and practices.

Prosafe publishes interim presentations on a quarterly basis. Investor presentations in the form of audiocasts or webcasts are held in connection with the reporting of annual and interim results to give an overview of operational and financial developments. An ongoing dialogue is maintained with analysts and investors. All information distributed to the Company's shareholders is published in English on the Company's website at the same time as it is sent to the Oslo Stock Exchange and www.newsweb.no.

14. Take-overs

There are no defence mechanisms against take-over bids in Prosafe's Articles of Association, nor have any other measures been implemented to specifically hinder acquisitions of shares in the Company. The Board has not established written guiding principles for how it will act in the event of a take-over bid, as such situations normally are specific and one-off by nature, which make a guideline challenging to prepare.

If an offer is made for the Company's shares, the Board will ensure that all shareholders are treated equally and seek to ensure that the Company's activities are not unnecessarily interrupted. The Board will act in the best interest of shareholders and ensure that they have sufficient information and time to assess the offer. The Board will prior to the expiry of the offer period, issue a statement evaluating the offer and make a recommendation as to whether shareholders should or should not accept the offer. In such a situation, Prosafe will act in accordance with the applicable principles for good corporate governance.

15. Auditor

The Company's external auditor is KPMG AS. The auditor is appointed by the general meeting and is independent of Prosafe SE.

Each year, the auditor presents the audit plan for the Company to the Audit Committee. The auditor also meets with the full Board at least once a year in connection with the preparation of the annual financial statements and a review of the financial reporting and internal control procedures, including weaknesses identified by the auditor and proposals for improvement. At least once a year, the independent auditor meets with the Board without the presence of any member of senior executive management.

The Audit Committee supports the Board in the administration and exercise of its responsibility for supervision of the auditor's work, who shall keep the Board informed of all aspects of its work for Prosafe.

The auditor attends all Audit Committee meetings. Company policies govern the use of the auditor's services. Use of non-audit services can be approved by the Group Finance Director up to 15 per cent of the audit fee, and up to 50 per cent of the audit fee by the CFO. Use of the auditor for services other than the audit of Prosafe beyond 50 per cent of the audit fee requires approval by the Audit Committee.

The remuneration of the auditor is approved by the AGM. Fees for audit work and other services are reported by the Board to the general meeting. For more details, see note 7 of the consolidated accounts.

30 April 2025
The Board of Directors of Prosafe SE

This document is signed electronically

Glen Ole Rødland Non-executive Chair	Birgit Aagaard-Svendsen Non-executive Director	Nina Udnes Tronstad Non-executive Director	Halvard Idland Non-executive Director

Terje Askvig
Chief Executive Officer

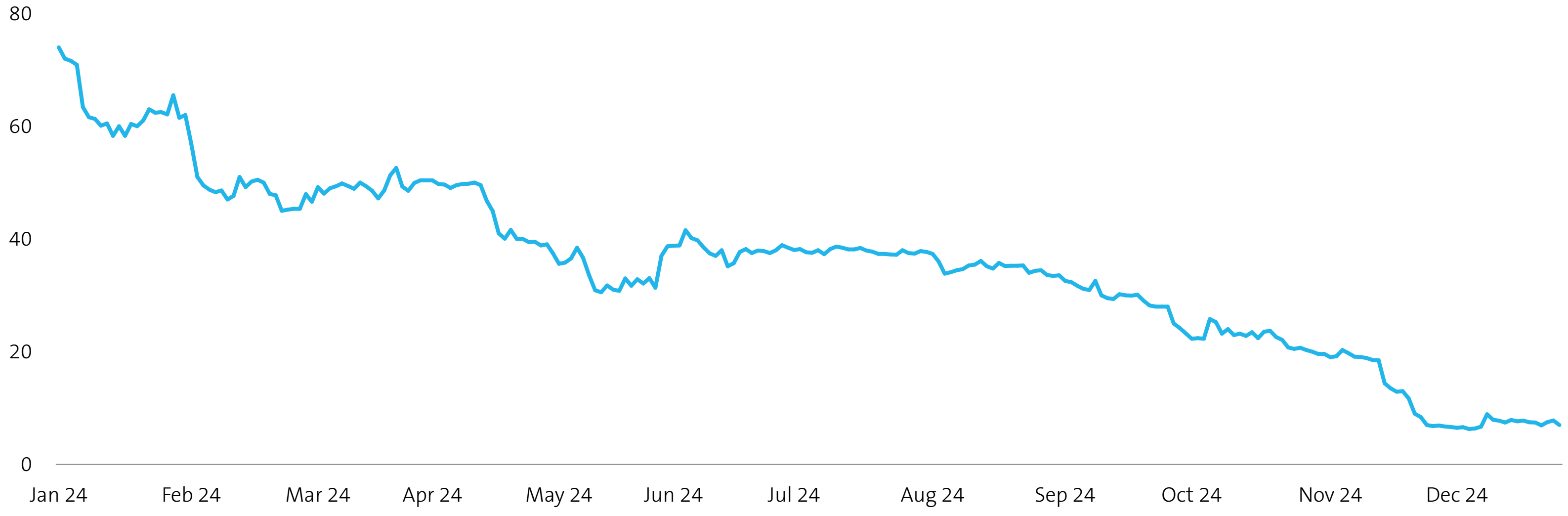
Shareholder information

Share price development

Prosafe has one class of shares. There were 17,868,651 shares issued at the end of 2024, each with a nominal value of EUR 1.25. No new shares were issued during the year.

In 2024, the Prosafe share traded between NOK 76.0 and NOK 6.01 per share. During the year, 11.5 million shares were traded in total.

Prosafe share price development[1]



[1] Source: Euronext

Major shareholders and voting rights

Prosafe had 4,069 registered shareholders in the Norwegian Central Securities Depository (VPS) on 31 December 2024 (2023: 4,720), whereof the 20 largest shareholders owned 68.6 per cent (68.0 per cent). The percentage of issued shares held by foreign shareholders was 19.9 per cent (16.7 per cent). All the shares registered by name carry equal voting rights. The shares are freely negotiable.

Prosafe's 20 largest shareholders as at 31 December 2024

Shareholder	No of shares	In % of total
MH Capital AS	1,594,908	8.9%
Alden AS	1,579,083	8.8%
North Sea Strategic Investments AS	1,355,363	7.6%
Morgan Stanley & Co. LLC (nominee)	1,183,507	6.6%
HV VI Invest Sierra AS	1,116,565	6.2%
Skandinaviska Enskilda Banken AB	727,068	4.1%
Vicama AS	560,030	3.1%
B.O. Steen Shipping AS	500,000	2.8%
Cam AS	457,982	2.7%
Songa Capital AS	404,809	2.3%
Holme Holding AS	270,621	1.5%
Per Jacob Mørck	270,000	1.5%
Westcon Yards AS	263,500	1.5%
Xintec Capital AS	230,000	1.3%
Gross Management AS	228,667	1,3%
BR Industrier AS	223,992	1.3%
Varde Norge AS	193,750	1.1%
Trionfo AS	190,372	1.1%
Dima AS	173,333	1,0%
Kyosei AS	167,183	1.1%
Others	5,606,731	31.4%
Total	**17,868,651**	**100.0%**

An overview of the 20 largest shareholders is regularly updated and available on the Prosafe website.

Dividend Policy

Prosafe's longer term ambition is that its shareholders receive a competitive return on their investment in the Company through a combination of share price appreciation and a direct return in the form of dividends. Prosafe has not paid dividends since 2015. Current loan agreements stipulate that dividends may only be paid after obtaining prior written consent of two-thirds of the lenders.

Analyst coverage

Five Norwegian and Nordic investment banks had active coverage of Prosafe at the end of 2024. For contact details, please see the Company website www.prosafe.com

General meetings and board authorisations

At 31 December 2024, the Board of Directors held two authorisations granted by the general meeting in Prosafe to increase the share capital for general company purposes and for group incentive schemes.

The authorisations are valid until the ordinary AGM in 2025, and latest 30 June 2025.

Further information can be found in the minutes from the Annual general meeting, available from the Company's website www.prosafe.com and www.newsweb.no.

Financial calendar 2025

Event	Date
Annual general meeting	21.05.2025
Quarterly results – Q1	21.05.2025
Half-yearly interim report – Q2	22.08.2025
Quarterly results – Q3	13.11.2025

Please note that the financial calendar is subject to changes.

IR Policy

Prosafe's IR policy can be found at www.prosafe.com

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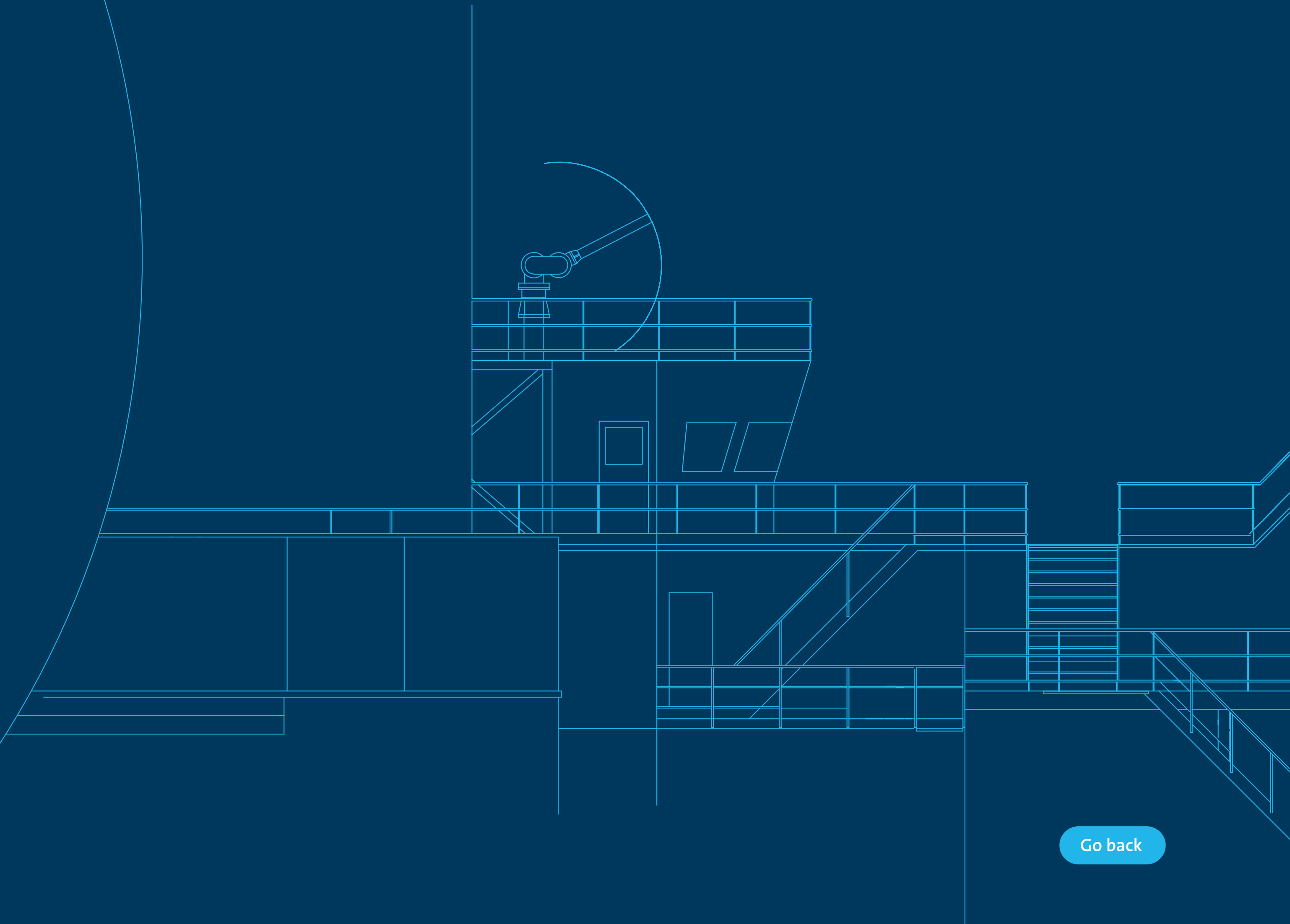

Introduction

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Material Impacts, Risks and Opportunities (IROs)	42

In 2024, Prosafe continued to embed sustainability into the core operations, reflecting the Company's long-standing focus on responsible business practices. This Sustainability Statement is not within the formal scope of the Corporate Sustainability Reporting Directive (CSRD), but has been developed in alignment with the principles and structure of the European Sustainability Reporting Standards (ESRS) to ensure relevance, transparency and preparedness. Prosafe is compliant with the current requirements relevant to Prosafe.

Prosafe's role as a leading operator of offshore accommodation and support vessels brings unique challenges and opportunities in addressing sustainability. This statement provides a focused account of Prosafe's environmental, social and governance (ESG) performance, outlining the material impacts, risks and opportunities identified across the value chain. It reflects Prosafe's approach to integrating sustainability considerations into decision-making, with a clear understanding of both external impacts and the operational risks.

Sustainability governance

The Prosafe Board of Directors is comprised entirely of non-executive directors, ensuring independent oversight of the Company. The Board includes four members: two men and two women, achieving 50% female representation. All members bring diverse expertise relevant to Prosafe's operations, including investment management, finance, engineering and corporate governance. 100% percent of the directors are considered independent, ensuring a balanced and impartial decision-making process. For further information about roles and responsibilities, expertise, and other factors related to Prosafe's governing bodies, please refer to the Corporate Governance Report on page 24.

The prosafe Board of Directors 2024

Female
50%

Male
50%

100%
independent

Strategy, business model and value chain

Prosafe's strategy prioritises being the preferred global provider of high-end offshore accommodation vessels. This aligns with the increasing demands in offshore energy markets, notably in Brazil and the North Sea. The Company's sustainability strategy is closely linked with operational excellence and client-focused solutions.

Significant groups of products and services

Prosafe owns and operates five semi-submersible accommodation vessels, supporting lifecycle services including maintenance, commissioning and decommissioning for offshore oil, gas and renewable energy infrastructure. Two newbuild vessels remain at the yard.

Significant markets and customer groups

Prosafe's primary markets are Brazil and the North Sea. The main customers are oil and gas operators, service contractors and entities transitioning to renewable energy solutions. In 2024, no significant markets were added.

Employee headcount by geography

As of end-2024, Prosafe employed engages 446 individuals globally, where 281 are employees of the Group. Onshore operations include support staff in regional offices located in Brazil, Norway, Singapore and UK.

Category	Region	Headcount
Offshore	Brazil	270
	North Sea	36
	Gulf of Mexico	53
Total		**359**
Onshore	Norway	11
	Brazil	40
	Australia	1
	Singapore	5
	UK	30
Total		**87**

Revenue by significant sector and activity

In 2024, Prosafe's total operating revenues were USD 139.8 million, derived entirely from offshore oil and gas operations. This sector is deemed significant as it accounts for 100% of total revenue and is associated with material actual impacts, including GHG emissions, pollution (NO_x, SO_x, PM) and energy consumption. No additional sectors beyond offshore oil and gas meet the significance threshold under ESRS 2 SBM-1 40 (c).

The renewable energy sector is currently in an exploratory phase, with no revenue contribution, but is highlighted for its strategic potential.

Activity	Revenue (Million)	% of Total Revenue	Materiality Linkage	Taxonomy Alignment
Offshore Oil and Gas Operations	$139, 797	100%	Negative actual impacts: GHG emissions, NO_x, SO_x, PM emissions, and energy consumption.	Not Taxonomy-aligned
Renewable Energy Support	$0	0%	Mitigates climate-related financial risks	N/A

Prosafe's value chain

Prosafe's value chain supports the lifecycle needs of offshore operations, integrating critical upstream and downstream relationships to create sustainable value. Key inputs include dynamically positioned semi-submersible vessels, advanced safety systems and ISO-certified suppliers for equipment and operational resources. Outputs include safe, energy-efficient accommodation services for offshore personnel, enabling clients to meet regulatory compliance, reduce downtime and optimise project costs. Prosafe operates at the intersection of upstream equipment sourcing and downstream client services, forming a key component of the offshore energy value chain.

Key activities, business relationships and cost structure

Key activities include vessel mobilisation, maintenance services and delivering operational readiness for clients across offshore oil and gas. Business relationships with shipyards, technology suppliers and contractors ensure technical and safety compliance. Client engagements are structured around customised time charters, prioritising flexibility and alignment with environmental goals. The cost structure is heavily influenced by vessel operational expenses, crew mobilisation and regulatory compliance.

Prosafe's double materiality assessment identifies significant financial risks and negative impacts across its value chain.
A detailed breakdown is available in subsequent pages.

Stakeholders

Prosafe engages with several key stakeholder groups, including employees, clients, suppliers, investors and regulatory bodies. Engagement occurs through regular dialogue, surveys and focused sessions to understand and address material impacts, risks and opportunities. Employee feedback is collected through annual surveys and direct management communication. Client engagement includes formal contract reviews and service assessments, while supplier interaction involves compliance audits and onboarding processes. The outcomes from these engagements influence strategic priorities, such as enhancing operational safety, reducing environmental impacts and maintaining strong governance practices.

Understanding stakeholder interests

Stakeholder feedback has highlighted a strong interest in health and safety, operational transparency and environmental stewardship. For employees, health and safety remain a top priority, with an emphasis on maintaining low injury rates and improving wellbeing initiatives. Clients demand enhanced environmental performance, especially in reducing greenhouse gas emissions. Regulatory bodies focus on compliance with international standards like SASB, TCFD, and potential CSRD requirements. These interests are analysed through a due diligence and materiality assessment process, ensuring alignment with Prosafe's strategy and business model.

- Prosafe's materiality assessment identified workforce health, safety, and wellbeing as the most significant stakeholder interest. Initiatives have focused on minimising injury rates and improving mental health support through enhanced training programmes and resources.
- While value chain workers (S2) were not assessed as material, their views are considered during supplier audits and compliance reviews.
- Prosafe's operations were assessed to have limited direct impact on affected communities. No material concerns were identified during the engagement process.
- Consumers and end-users were not deemed materially affected by Prosafe's operations during the materiality assessment.

Identification of Material Impacts, Risks and Opportunities (IROs)

Prosafe follows a structured double materiality approach in alignment with ESRS 1. This involves evaluating impacts from the inside-out (impact materiality) and outside-in (financial materiality) perspectives. The framework encompasses stakeholder engagement, expert consultations and risk prioritisation workshops.

Methodologies and assumptions

Prosafe's Double Materiality Assessment (DMA) methodology adheres to the requirements of the CSRD and ESRS, employing a structured, evidence-based approach to identify and assess material sustainability matters. The process evaluates both impact materiality — focusing on the Company's effects on people and the environment — and financial materiality, assessing how sustainability matters influence the Company's financial position and resilience.

- **Impact materiality:** Prosafe evaluated the scale, scope, and significance of its impacts on stakeholders and the environment using qualitative data from workforce surveys, stakeholder interviews, and operational assessments. Topics were prioritised based on their severity (e.g., harm to human rights or environmental degradation) and alignment with stakeholder concerns collected during engagement processes. This included reviewing health and safety outcomes, GHG emissions and social protections for the workforce.
- **Financial materiality:** Financial impacts were assessed by analysing the likelihood of risks and opportunities affecting revenue, costs, asset value, and access to capital. This included reviewing regulatory developments, reputational risk trends and market shifts relevant to Prosafe's offshore operations. Financial thresholds for materiality were informed by the Company's financial reports and historical performance, with a focus on sustainability topics posing medium to high risks.
- **Stakeholder engagement:** Key stakeholders such as employees, clients, and investors were engaged to validate findings and ensure alignment with external expectations. Stakeholder input was analysed to identify any gaps or emerging issues not captured in internal assessments.

The DMA assumed that Prosafe's offshore vessel operations would remain central to its business strategy through 2025, with increasing regulatory and market focus on emissions reduction and workforce safety. Data availability for Scope 1 and 2 emissions and internal workforce metrics were considered reliable, while Scope 3 and supplier data relied on proxy estimates or industry benchmarks. Stakeholder engagement trends indicated continued prioritisation of health and safety, compliance with emerging regulatory requirements, and long-term resilience as core concerns. These assumptions provided a foundation for aligning materiality findings with Prosafe's strategic context and operational environment.

Prosafe's approach to impact management

Prosafe employs a structured process to identify, assess, prioritise, and monitor its impacts on people and the environment, integrating due diligence to ensure comprehensive coverage across its operations. This process specifically focuses on activities and relationships that present heightened risks, including those associated with offshore operations and key geographies such as Brazil and the North Sea. The assessment considers both direct impacts arising from Prosafe's operations, such as emissions and workplace safety, and indirect impacts linked to its business relationships, such as supply chain labour standards. Stakeholder consultation is embedded into the process, involving engagement with employees, clients and suppliers, as well as insights from independent experts to evaluate potential and actual impacts comprehensively. The Company prioritises impacts by their severity, likelihood and material relevance to reporting purposes, applying both qualitative and quantitative thresholds, as outlined by ESRS 1 Section 3.4 on impact materiality.

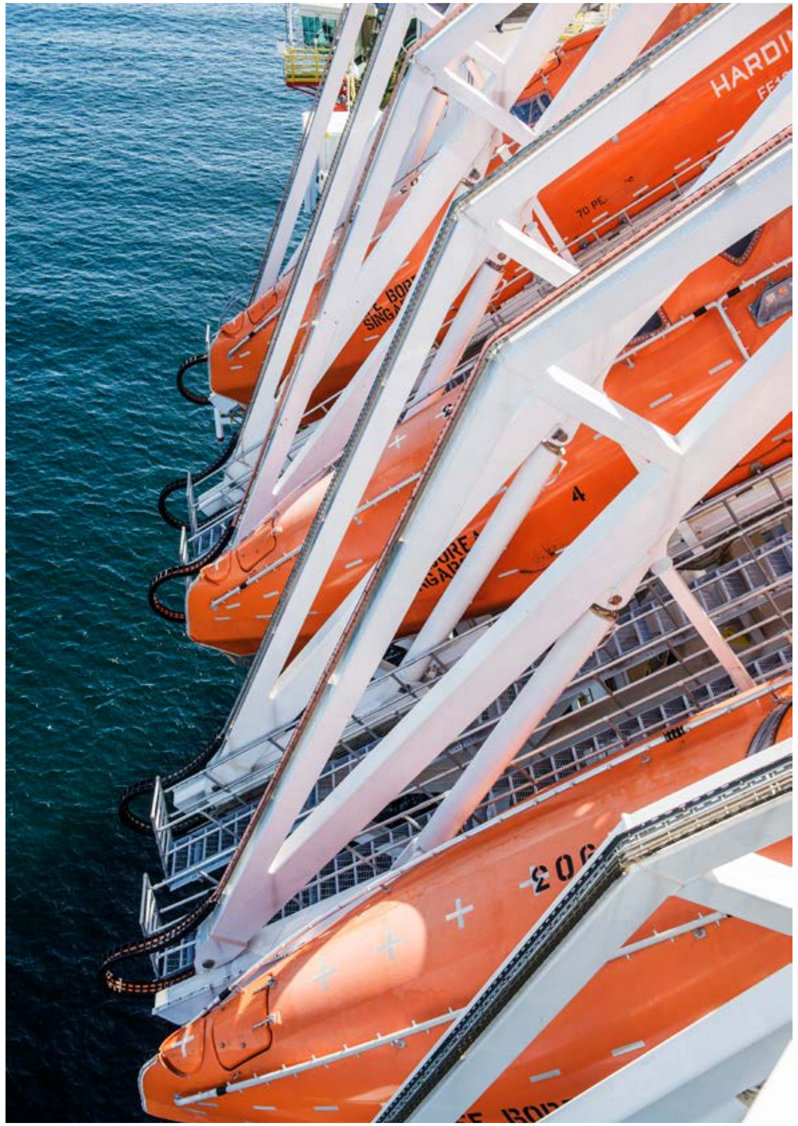
Prosafe's approach to risk and opportunity management

The process integrates the evaluation of impacts and dependencies across the Company's operations and value chain, ensuring that financial risks arising from sustainability impacts are captured and addressed holistically. Risk and opportunity assessments consider both likelihood and magnitude, using predefined thresholds aligned with ESRS 1, Section 3.3 Financial Materiality, and informed by quantitative and qualitative criteria such as financial exposure, regulatory shifts and stakeholder priorities. Sustainability risks are embedded within Prosafe's broader enterprise risk management framework, with prioritisation supported by risk-scoring methodologies and tools that ensure alignment with strategic and operational objectives.

IRO processes and controls

Prosafe's decision-making process for identifying, assessing and managing material IROs integrates its double materiality framework with structured governance. Decision-making is overseen by the audit committee, with internal controls such as annual validation workshops, stakeholder engagement exercises and external expert reviews ensuring the integrity of findings. While Prosafe's DMA currently operates independently of its ERM cycle, material risks identified through the DMA are incorporated into the Company's risk register retrospectively, with aligned financial effect and likelihood thresholds serving as the main points of connection between the two systems.

The DMA incorporates quantitative data, such as Scope 1 and 2 emissions, proxy-based Scope 3 estimates and qualitative stakeholder input gathered through interviews and surveys. These inputs ensure a comprehensive understanding of material impacts, particularly in key regions like Brazil and the North Sea. The 2024 DMA concluded that no sustainability-related opportunities met materiality thresholds due to their limited financial or strategic significance. Consequently, these opportunities are documented and monitored for potential future materiality, but are not actively integrated into operational planning or decision-making processes. Depending on the outcome of the omnibus proposal and other potential regulatory changes, the next scheduled revision of the DMA will be in the third quarter of 2025. It will refine the methodology, incorporating deeper value chain analysis and enhanced alignment with Prosafe's risk management processes.



Material Impacts, Risks and Opportunities (IROs)

Prosafe's materiality assessment has identified several IROs across the operations and value chain. The table below categorises these by the ESRS, indicating whether they occur in Prosafe's own operations (OO) or upstream (US) or downstream (DS) value chains, as well as their projected relevance over the short, medium, and long-term. Further insights are provided in the respective topical sections.

	Topic	Sub-topics	Material impact, risk, or opportunity	Category	US	OO	DS	Short	Medium	Long
Environmental	E1 Climate Change	Climate change adaptation	Contributions to climate change adaptation	Negative actual impact			●	●	●	●
		Climate change mitigation	Scope 1, 2, & 3 GHG Emissions	Negative actual impact	●	●	●	●	●	●
			Climate mitigation risks	Financial risk		●	●			●
		Energy	Non-renewable energy consumption	Negative actual impact	●			●	●	●
	E2 Pollution	Pollution of air	NO_x, Sox, and PM emissions to air	Negative actual impact		●		●	●	●
		Substances of concern	Use of hazardous substances and spills	Negative potential impact		●		●		
	E5 Resource Use and Circular Economy	Resource inflows, including resource use	Resource consumption	Negative actual impact	●			●	●	●
		Waste	Waste generation	Negative actual impact		●		●	●	●
Social	S1 Own Workforce	Working conditions	Health and safety	Negative potential impact		●		●		
			Health and safety violations	Financial risk		●		●		
Governance	G1 Business Conduct	Corruption and bribery	Corruption and bribery incidents	Financial risk		●		●		
		Cybersecurity	Loss of digital privacy	Negative potential impact		●	●	●		
			Cybersecurity	Financial risk		●	●	●		

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Climate change

Topic	Sub-topics	Material impact, risk, or opportunity	Category	US	OO	DS	Short	Medium	Long
E1 Climate Change	Climate change adaptation	Contributions to climate change adaptation	Negative actual impact			●	●	●	●
	Climate change mitigation	Scope 1, 2, & 3 GHG Emissions	Negative actual impact	●	●	●	●	●	●
		Climate mitigation risks	Financial risk		●	●			●
	Energy	Non-renewable energy consumption	Negative actual impact	●			●	●	●

Impact, risk and opportunity management

Climate change adaptation: Negative actual impact

Context

Prosafe's negative, actual impact on climate change adaptation is concentrated downstream in its value chain, where the Company provides offshore accommodation services to the oil and gas industry, an inherently fossil fuel-intensive sector. This impact arises directly from Prosafe's business model, which is centred on supporting the operational needs of offshore platforms through services essential to maintaining production efficiency and worker safety. These activities, while critical to client operations, indirectly contribute to delaying society's transition to climate-resilient systems by reinforcing dependence on high-carbon energy infrastructure.

Stakeholders and Consequences

Over the short term (1 year), Prosafe's role in supporting offshore oil and gas operations sustains the immediate reliance on fossil fuel. This short-term dependency maintains status quo emissions, potentially delaying investment in and innovation of alternative solutions, particularly in vulnerable coastal and offshore regions. In the medium term (1–5 years), as regulatory frameworks are expected to tighten and financial markets may increasingly penalise carbon-intensive industries, Prosafe's operational footprint indirectly contributes to a widening of the gap between global adaptation goals and industry inertia. Coastal regions, often at the forefront of climate vulnerability, may face heightened risks from delayed transition, including infrastructure failure, biodiversity loss and economic instability tied to fossil fuel dependency. Over the long term (beyond 5 years), the cumulative impact of this dependency becomes more severe, as global adaptation deficits may drive hard to abate climate-induced risks. Rising sea levels, intensifying storms and ecosystem degradation are expected to disproportionately affect geographies where Prosafe's clients operate. This may further challenge the resilience of societal systems and increase the need for urgent structural change in service-based dependencies on high-carbon industries.

Action

The continued reliance of Prosafe's clients on fossil fuels affects the Company's strategy and decision-making, as it limits diversification opportunities and increases exposure to reputational and regulatory risks. Currently, Prosafe has not made significant changes to its strategy or business model to address these impacts but is exploring opportunities to expand its services to adjacent sectors with lower carbon intensity. Long-term adaptation will require significant strategic shifts, including client diversification and potential collaboration on energy transition initiatives.

Scope 1, 2, & 3 GHG emissions: Negative actual impact

Context

Greenhouse gas (GHG) emissions associated with Prosafe's operations are concentrated across upstream, own operations and downstream activities. In upstream activities, emissions originate from purchased goods and services, reflecting the carbon intensity of suppliers that provide materials and equipment for offshore operations. Within its own operations, Scope 1 emissions stem from burning of fuel to power offshore accommodation vessels, while Scope 2 emissions are linked to electricity use in shore-based facilities. Downstream, Scope 3 emissions encompass two major sources: emissions generated during on-contract activities, where Prosafe's services support client operations, and those resulting from end-users burning fossil fuels extracted by Prosafe's clients. These impacts are a function of Prosafe's business model of providing offshore accommodation to the oil and gas sector, a high-carbon industry that relies on fossil fuel extraction and use. Prosafe is both directly involved in these impacts—through its operational energy consumption—and indirectly, as its services enable client activities that perpetuate fossil fuel consumption and associated emissions.

Stakeholders and Consequences

The environmental and societal effects of Prosafe's GHG emissions vary across short-, medium-, and long-term time horizons. In the short term (<1 year), the immediate effects include increased atmospheric carbon levels and associated contributions to global warming, exacerbating climate extremes such as heatwaves and intensified storm activity. Medium-term (1–5 years) impacts are characterised by the accumulation of GHGs in the atmosphere, amplifying changes in climate patterns that disrupt ecosystems, agriculture and water resources, particularly in vulnerable regions where offshore oil and gas operations are prevalent. Over the long term (>5 years), the continued facilitation of fossil fuel combustion through Prosafe's services risks locking in high-carbon energy systems, further delaying global climate adaptation and mitigation efforts. These impacts collectively intensify risks of biodiversity loss, sea-level rise and adverse effects on human health and livelihoods, disproportionately affecting marginalised communities least equipped to adapt.

Action

The emissions from Prosafe's operations have significant implications for its business model, strategy and decision-making processes. Rising regulatory requirements, such as carbon pricing mechanisms and stricter emissions reporting standards, increase compliance costs and operational complexity. Growing client and stakeholder expectations for decarbonisation may add further pressure to align service offerings with sustainability goals. In response, the Company is committed to mitigating its emissions and adapting its operations, including exploring retrofitting vessels for hybrid power, reducing non-operational fuel consumption, and exploring renewable energy options for future contracts. These measures aim to balance the immediate needs of supporting oil and gas clients with long-term goals of supporting low-carbon energy systems. The Company is actively working with clients to safely reduce number of engeens running while on DP in operations, which would reduce fuel consumption, again reducing emissions.

GHG emissions and intensity (CO_2e tonnes)	2024	2023	2022
Direct GHG emissions (Scope 1)	31,376	41,431	23,933
Energy indirect GHG emissions (Scope 2, location based)	11	14	20
Other indirect GHG emissions (Scope 3)	76,807	54,080	91,542
GHG emissions intensity (Scope 1+2+3 per contract day)	74.4	71.0	59.5

Energy consumption – Actual negative impact

Context

Prosafe's non-renewable energy consumption is concentrated within its own operations, particularly in the offshore accommodation units, which require significant energy to maintain client operations in remote environments. The upstream value chain contributes indirectly through the supply of energy-intensive equipment and materials, while downstream impacts are negligible due to the service-oriented nature of Prosafe's business. This impact is directly linked to Prosafe's strategy and business model, which rely on delivering energy-intensive accommodation services tailored to the operational needs of the oil and gas sector. Prosafe is directly involved in this material impact through its operations, as the energy consumed onboard its vessels is sourced primarily from fossil fuels, reflecting the sector's dependency on non-renewable energy sources in offshore environments.

The increase in shore power shown on the next page is due to Safe Boreas went from burning fuel while in lay-up to onshore electricity. The increase in consumed fuel is due to more operating days in 2024 compared to 2023, 1,454 days vs 1,043 days in 2023.

Energy consumption	2024	2023	2022
Energy consumption (Kwh) onshore	4,371,006	99,311	109,491
Fuel consumed (tonnes)	38,368	35,532	42,982

Stakeholders and Consequences

The environmental impact of Prosafe's energy consumption is significant. The combustion of fossil fuels onboard offshore accommodation units releases CO_2 and other greenhouse gases, exacerbating atmospheric warming and contributing to the degradation of ecosystems on a global scale. In the short term (<1 year), the continued reliance on non-renewable energy contributes to the cumulative impact of greenhouse gases in the atmosphere. Over the medium term (1–5 years), these emissions impede progress toward global climate adaptation and mitigation goals. Without meaningful intervention, the long-term (>5 years) impact may affect global measures to stabilise atmospheric GHG concentrations.

Action

High levels of non-renewable energy consumption in Prosafe's operations pose challenges to its business model and strategy, particularly as regulatory frameworks and client expectations increasingly demand decarbonisation. Energy costs represent a significant operational expenditure, exposing Prosafe to volatility in fossil fuel prices and heightened scrutiny from stakeholders prioritising energy efficiency and sustainability. Prosafe is addressing these challenges through a multifaceted energy management strategy, including investments in advanced energy-efficient technologies, fostering energy-conscious practices among staff, and leveraging digital infrastructure to monitor and optimise energy consumption. Key actions have included the continued deployment of a digital platform across the fleet to improve energy visibility and the adoption of more efficient operational practices, such as running fewer diesel generators at higher loads. These initiatives are designed to reduce the Company's energy footprint and align its operations with sustainable practices, although their scalability remains under development.

Climate change mitigation risks

Context

Prosafe has identified four interrelated climate mitigation risks as material to the operations and value chain, comprising access to capital, stranded assets, technology risk and the cost of carbon associated with GHG emissions. These risks are concentrated in the Company's own operations and downstream activities, particularly in its sales and offshore service operations. Access to capital in the oil and gas value chain poses a medium-term risk as financial institutions increasingly scrutinise fossil fuel-related activities. Stranded assets and technology risks are longer-term considerations, with the possibility of Prosafe's assets becoming obsolete due to shifts in global energy systems or technological advancements. The cost of carbon represents an immediate and evolving risk, with exposure to Scope 1, 2, and 3 emissions potentially impacting profitability as carbon pricing mechanisms expand.

Action

The impacts of climate risks on Prosafe's business model, value chain and decision-making processes are significant. Reduced access to affordable capital could constrain growth and operational flexibility, while stranded assets or outdated technology may lead to asset impairments and loss of competitiveness. Carbon pricing schemes, particularly the EU ETS, are likely to impose increased operational costs. Prosafe has begun responding to these risks by exploring energy efficiency measures, retrofitting existing assets and monitoring regulatory developments to anticipate cost impacts. However, its strategy remains in the early stages of adaptation, with long-term resilience dependent on diversifying its client base and service offerings beyond fossil fuel-dependent industries.

Transition plan for climate change mitigation

Prosafe is at an early stage of its climate transition planning and is working to align its strategy. The Company's current focus is on improving operational efficiencies and reducing Scope 1 and 2 emissions. However, Prosafe does not yet have a fully developed climate transition plan.

Pollution

Topic	Sub-topics	Material impact, risk, or opportunity	Category	US	OO	DS	Short	Medium	Long
E2 Pollution	Pollution of air	NO_x, Sox, and PM emissions to air	Negative actual impact		●		●	●	●
	Substances of concern	Use of hazardous substances and spills	Negative potential impact		●		●		

Impact, risk and opportunity management

Pollution of air – Negative actual impact

Context

Air pollution resulting from Prosafe's operations is concentrated within own activities, particularly through the combustion of fossil fuels onboard offshore accommodation vessels. These emissions occur globally, wherever vessels are deployed, and contribute to localised degradation of air quality in operational areas. The pollutants released include nitrogen oxides (NO_x), sulphur oxides (SO_x) and particulate matter (PM), and are directly tied to Prosafe's reliance on fuel combustion to power its vessels, which is a central component of its offshore service offering. This impact is inherent to Prosafe's strategy and business model, as the provision of offshore accommodation requires energy-intensive operations. Prosafe is directly responsible for these emissions through its operational activities, while upstream value chain contributors, such as fuel suppliers, indirectly support the combustion process by providing combustion energy inputs.

Stakeholders and Consequences

These air emissions have immediate and ongoing environmental consequences, degrading local air quality and impacting ecosystems near operational sites. NO_x emissions contribute to ground-level ozone, which harms sensitive vegetation and impairs ecosystem productivity, while SO_x emissions drive acidification of soils and water bodies, reducing biodiversity and aquatic health. PM emissions exacerbate these issues by persisting in the atmosphere, where they can travel long distances, further degrading air quality and contributing to respiratory and cardiovascular health impacts in nearby communities and wildlife populations. The negative effects of Prosafe's air emissions on the environment are pronounced in the short term, as operational emissions directly degrade local air quality. In the medium term, these emissions exacerbate regional acidification and stress on ecosystems, creating cumulative impacts that extend beyond operational geographies. Over the long term, persistent emissions from fuel combustion continue to erode global atmospheric quality, undermining the capacity of ecosystems to recover from anthropogenic stressors and threatening biodiversity resilience.

Action

Prosafe has taken steps to reduce these emissions, including the exclusive use of low-sulphur fuels in compliance with IMO regulations, further reduced to 0.1% sulphur content in Environmental Control Areas, and the introduction of shore power for vessels in layup in Norway, where grid infrastructure supports cleaner energy sourcing. However, these measures have not yet led to a fundamental change in the energy reliance of operations.

Substances of concern – Negative actual impact

Context

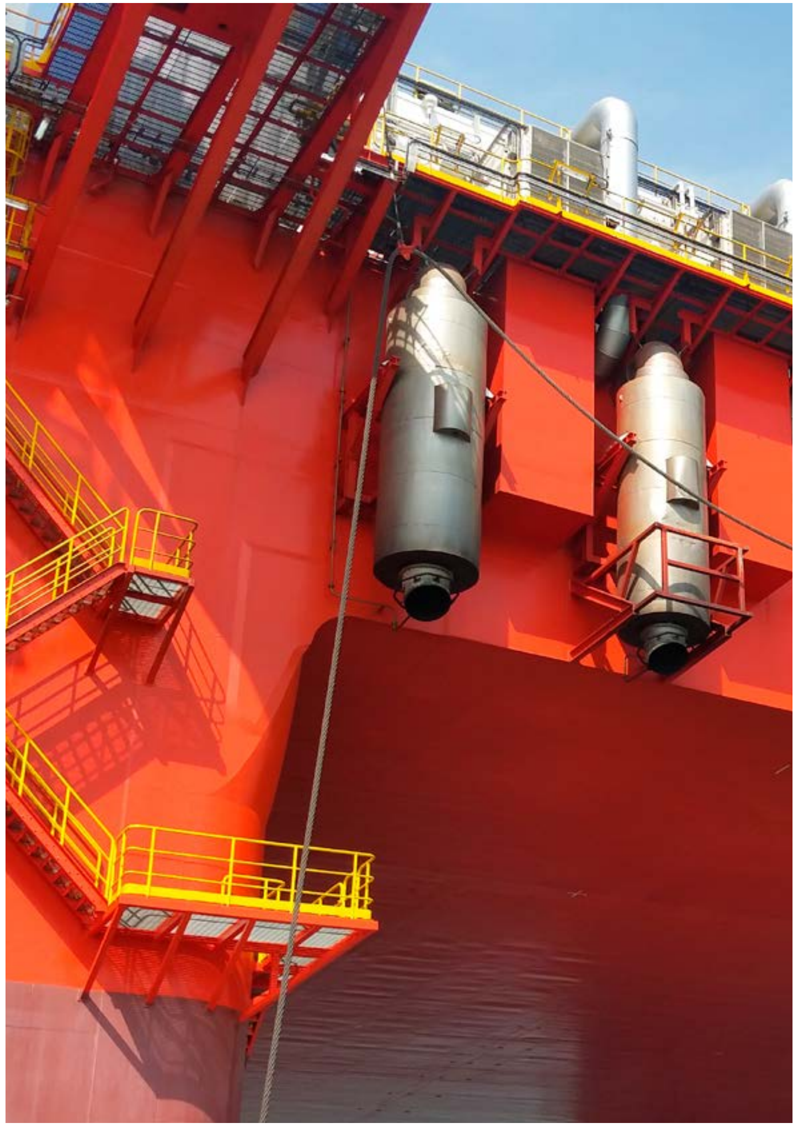
Prosafe's use of substances of concern is concentrated within its own operations, particularly in offshore accommodation units where small volumes of chemical substances are utilised for maintenance, cleaning and operational efficiency. These substances, which may include materials listed as hazardous under regulatory frameworks, are integral to routine activities onboard vessels and support infrastructure. The impact originates directly from Prosafe's strategy and business model, which prioritise operational performance in offshore environments where the controlled use of such substances is often unavoidable. Prosafe is directly involved in these impacts through its operational activities, as these substances are handled, stored and disposed of within the scope of own operations. Although spillages are infrequent, any accidental releases are primarily localised and associated with operational practices onboard the vessels.

Stakeholders and Consequences

The environmental effects of these substances are primarily localised, impacting marine and coastal ecosystems surrounding Prosafe's operational sites. Hazardous chemicals can disrupt marine biodiversity, affecting water quality and the health of aquatic organisms. In the short term, the impacts are minor due to stringent operational controls, with spill incidents typically confined to manageable volumes. Over the medium term, the cumulative use and potential release of hazardous substances may exacerbate localised environmental degradation if replacement initiatives are delayed. In the long term, advancements in chemical alternatives and operational practices are expected to mitigate these impacts substantially.

Action

The current use of hazardous substances and the potential for accidental spills pose ongoing challenges to Prosafe's operational processes and value chain. These impacts require stringent handling procedures and continuous monitoring to minimise environmental harm. Operational decision-making incorporates measures to reduce the use of high-risk substances, replace them where feasible with less harmful alternatives, and implement improved spill management protocols.



Resource use and circular economy

Topic	Sub-topics	Material impact, risk, or opportunity	Category	US	OO	DS	Short	Medium	Long
E5 Resource Use and Circular Economy	Resource inflows, including resource use	Resource consumption	Negative actual impact	●			●	●	●
	Waste	Waste generation	Negative actual impact		●		●	●	●

Impact, risk and opportunity management

Resource consumption – Negative actual impact

Context

The resource consumption impact of Prosafe's operations is concentrated upstream in the value chain, specifically during the construction and ongoing maintenance of offshore accommodation units. The consumption of raw materials, particularly steel, occurs primarily at shipyards and manufacturing facilities where rigs are constructed, with each unit requiring approximately 30,000 tonnes of steel. Additional resource use is associated with the procurement of parts and materials for ongoing operations, such as replacements for mechanical components. This impact is directly connected to Prosafe's strategy and business model, which depend on the construction and operation of durable offshore rigs to meet client needs. Prosafe's involvement in this material impact is indirect, as it procures rigs and materials from external suppliers whose activities generate the associated resource consumption.

Stakeholders and Consequences

The environmental effects of resource consumption are global and multifaceted. The extraction and processing of raw materials degrade ecosystems and biodiversity, while steel production contributes significantly to global carbon emissions. In the short term, resource use continues during ongoing rig construction and maintenance. Over the medium term, as demand for offshore services persists, cumulative resource depletion and associated emissions will exacerbate global environmental challenges. In the long term, unless sustainable procurement practices are widely adopted, the continued reliance on finite materials will compound ecological pressures and further strain natural systems.

Action

Prosafe has begun exploring opportunities to incorporate higher proportions of recycled steel in future construction projects, aiming to reduce the environmental footprint of its supply chain. However, no substantial changes to the strategy or business model have yet been implemented to address these impacts.

Waste generation – Negative actual impact

Context

The waste generated by Prosafe's accommodation activities is concentrated within its own operations, particularly aboard offshore accommodation units. These units produce a variety of waste streams, including general solid waste, hazardous materials and recyclable materials at the various operational locations. These waste streams originates from Prosafe's provision of accommodation services for offshore operations, which involves resource consumption and on-site waste generation. Prosafe is directly involved in this material impact through its operational activities. Indirect involvement occurs through waste management partners responsible for the transportation, treatment, and disposal of these waste streams.

Stakeholders and Consequences

The environmental effects of waste generation are multifaceted. Improperly managed waste contributes to soil and water contamination, harming ecosystems and biodiversity in surrounding areas. Hazardous waste streams, if not appropriately treated, pose significant risks to marine and terrestrial environments. In the short term, the impacts are immediate and localised, particularly in regions with underdeveloped waste handling infrastructure. In the medium term, the cumulative effects of waste generation could stress regional ecosystems, reducing their capacity for regeneration. Long-term impacts may include persistent contamination and loss of biodiversity, particularly if waste management practices are not improved.

Action

Prosafe has implemented waste segregation systems onboard its units and collaborates with third-party waste handlers to maximise recycling and reduce landfill reliance. However, the effectiveness of these measures is constrained by site-specific conditions and resource availability. Prosafe is exploring opportunities to enhance its waste management processes, including potential partnerships with specialised waste treatment providers.

Metric	2024	2023	2022
Total waste (tonnes)	2,638	2,463	4,499
Hazardous waste	254	214	246

Social

Own workforce 52

Own workforce

Topic	Sub-topics	Material impact, risk, or opportunity	Category	US	OO	DS	Short	Medium	Long
S1 Own Workforce	Working conditions	Health and safety	Negative potential impact		●		●		
		Health and safety violations	Financial risk		●		●		

Impact, risk and opportunity management

Health and safety – Negative potential impact and financial risk

Context

Potential negative impacts related to health and safety within Prosafe's operations are concentrated in high-risk environments onboard offshore accommodation units, where workers engage in physically demanding tasks in remote and often hazardous maritime settings. These impacts are directly connected to Prosafe's business model, which involves providing operational support to the oil and gas industry in environments that inherently involve elevated safety risks. The nature of these operations, including heavy machinery, confined spaces and challenging weather conditions, creates potential for physical injuries and psychological stress among employees. Prosafe's involvement is direct, as these impacts arise from its own operational activities rather than external relationships or downstream effects.

The financial risks associated with health and safety violations are concentrated within Prosafe's offshore operations, where compliance with health and safety regulations is critical to avoiding fines, legal payouts and increased insurance premiums. These risks are directly tied to the physical and high-risk nature of Prosafe's offshore accommodation services, where potential incidents, such as workplace injuries or failures to meet regulatory standards, could result in immediate financial repercussions. Additionally, reputational risks stemming from major incidents or non-compliance could ripple through the value chain, negatively affecting Prosafe's ability to attract and retain skilled workers. This risk is entirely under Prosafe's operational control and is not materially influenced by upstream or downstream relationships.

Stakeholders and Consequences

The societal and environmental consequences of these health and safety risks are significant. Physical injuries onboard vessels can lead to lasting social challenges, including reduced worker quality of life and ripple effects on families and communities dependent on these workers. Severe injuries or fatalities disrupt household stability, increasing reliance on social safety nets and local healthcare systems. Psychological stressors associated with high-pressure environments may also result in long-term mental health challenges for individuals, contributing to broader societal burdens such as increased healthcare costs and reduced workforce participation. These impacts are concentrated in regions where Prosafe operates offshore, particularly in areas with limited access to healthcare resources, amplifying inequalities and creating cascading negative effects on local communities. In the short term, these impacts manifest through immediate physical and mental health challenges for employees. Over the medium term, the cumulative effects of prolonged psychological strain may escalate societal health issues. In the long term, unless mitigated, these impacts could contribute to systemic challenges in affected communities, including workforce disengagement and socioeconomic instability.

Action

Health and safety risks impact Prosafe's business model by increasing operational costs through regulatory compliance measures and insurance premiums. Failure to address these risks proactively could compromise workforce retention, increase employee turnover and make it challenging to attract skilled personnel in a competitive offshore labour market. Strategically, Prosafe has responded by implementing rigorous health and safety protocols, conducting workforce training and engaging in industry benchmarking to maintain high compliance standards. Future measures may include integrating advanced safety monitoring systems and increasing investment in workforce well-being to mitigate the risks of reputational damage and regulatory penalties.

Metric	2024	2023	2022
Sick leave	1.17%	0.99%	1.31%
Lost time injuries (LTI)	0	1	0
Fatalities	0	0	0
TRIF (Total Recordable Injury Frequency)	0	3.68	0
LTIF (Lost Time Injury Frequency)	0	1.23	0
MTC (Number of Medical TreatmentCases)	2	1	0
RWC (Number of Restricted Work Cases)	0	1	0
HOC (Number of Hazard Observation Cases)	11,147	9,087	13,184
Total exposure hours	844,014	815,502	908,999
Contractor fatalities	0	0	0

Business conduct

Corruption and bribery 55

Cybersecurity 56

Corruption and bribery

Topic	Sub-topics	Material impact, risk, or opportunity	Category	US	OO	DS	Short	Medium	Long
G1 Business Conduct	Corruption and bribery	Corruption and bribery incidents	Financial risk		●		●		

Impact, risk and opportunity management

Corruption and bribery – Financial Risk

Context

Corruption and bribery risks within Prosafe's operations are concentrated in jurisdictions where the Company engages in business activities, particularly those with heightened corruption risks. These risks are directly linked to Prosafe's operational model, which involves working with local vendors, contractors and business partners which support in providing services. Due to the nature of the industry, operations often occur in regions with complex regulatory environments and varying governance standards, exposing Prosafe to potential bribery or facilitation payment risks. While these risks predominantly arise within the Company's own operations, they are also influenced by upstream relationships with vendors and subcontractors, as well as interactions with local regulatory authorities.

Action

Corruption and bribery risks have significant implications for Prosafe's business model, value chain and strategic decision-making. Negative outcomes, such as regulatory fines, reputational damage or loss of client trust, could result in increased operating costs, reduced revenue and constrained market access. Anticipated effects include heightened due diligence requirements, additional compliance monitoring and investment in anti-corruption training and controls. In response, Prosafe has implemented a zero-tolerance policy towards bribery, embedded in its Code of Conduct and Anti-Bribery and Anti-Corruption Procedure, alongside mandatory employee training. The Company conducts regular compliance reviews, country risk assessments and third-party integrity due diligence to mitigate risks, particularly in high-risk regions such as Brazil.

Metric	2024	2023	2022
Political contributions	0	0	0
Facilitation payments	0	0	0
Number of monetary fines and non-monetary sanctions for non-compliance with laws and/or regulations	0	0	0

Cybersecurity

Topic	Sub-topics	Material impact, risk, or opportunity	Category	US	OO	DS	Short	Medium	Long
G1 Business Conduct	Cybersecurity	Loss of digital privacy	Negative potential impact		●	●	●		
		Cybersecurity	Financial risk		●	●	●		

Impact, risk and opportunity management

Loss of digital privacy – Negative potential impact

Context

Cybersecurity incidents, such as data breaches and the leakage of sensitive personal or company data, primarily originate in Prosafe's own operations, including IT and Operational Technology (OT) systems. These impacts are concentrated downstream in interactions with clients and stakeholders during sales, distribution and operational phases, as well as in end-of-life or decommissioning activities where systems and data may still be vulnerable. This potential negative impact is intrinsically tied to Prosafe's business model, which relies on digital infrastructure to facilitate offshore services, stakeholder communications and operational monitoring. The Company's strategy and reliance on interconnected IT systems make it both directly and indirectly responsible for this impact through its operational activities and relationships with external service providers, clients and subcontractors handling sensitive data.

The societal and environmental effects of cybersecurity incidents can be profound. A data breach impacting critical offshore operations could result in the exposure of personal data, compromising individual privacy and damaging the trust required for seamless collaboration with stakeholders. The effects are immediate and severe in the short term, disrupting lives and systems, and can extend into the medium term if the compromised data is exploited for fraud or other malicious activities. In the long term, persistent vulnerabilities could undermine societal confidence in digital infrastructure and hinder technological progress.

Action

Cybersecurity threats have heightened the need for strategic focus on data privacy and IT security within Prosafe's operations and value chain. A data breach could lead to significant downstream harm, including the misuse of sensitive client and stakeholder information, loss of trust and disruptions to critical infrastructure relied upon by society. To mitigate these threats, Prosafe has implemented multi-factor authentication, conditional access controls and 24/7 monitoring via its Security Operations Center. The Company has also enhanced its cybersecurity awareness programmes for employees to build resilience at all levels. While these measures represent incremental improvements, Prosafe is still exploring additional strategic changes to address cybersecurity threats more comprehensively, including deeper integration of IT security protocols into its operational frameworks.

Cybersecurity – Financial risk

Context

Cybersecurity risks are concentrated within Prosafe's own operations. These risks arise from the reliance on digital infrastructure to manage sensitive client and operational data, as well as critical IT and Operational Technology (OT) systems required to support offshore services. The risks are directly connected to Prosafe's business model, which is dependent on uninterrupted access to secure data systems to maintain service delivery and client trust. Prosafe's involvement in these risks is direct, as the Company fully controls its IT and OT environments, with no significant dependencies on external entities for managing cybersecurity measures.

Action

Cybersecurity risks have immediate and anticipated effects on Prosafe's operational continuity, cost structure and client relationships. Incidents such as data breaches or system disruptions can lead to increased costs associated with incident response, disruptions in service, system recovery and regulatory compliance. Additionally, any loss of sensitive client data or downtime in critical systems could diminish client trust and limit future business opportunities. To address these risks, Prosafe has implemented specific measures, such as multifactor authentication, enhanced email security and continuous system monitoring through a dedicated Security Operations Centre. These actions represent the Company's initial steps to mitigate risks, with further plans to enhance IT infrastructure and expand employee cybersecurity training programmes in development.

Metric	2024	2023	2022
Cyber-attacks resulting in loss of data, loss of integrity or other loss	0	1	0
Cyber-attacks resulting in downtime of critical IT systems	0	0	0
Notifications about GDPR breaches	0	0	0

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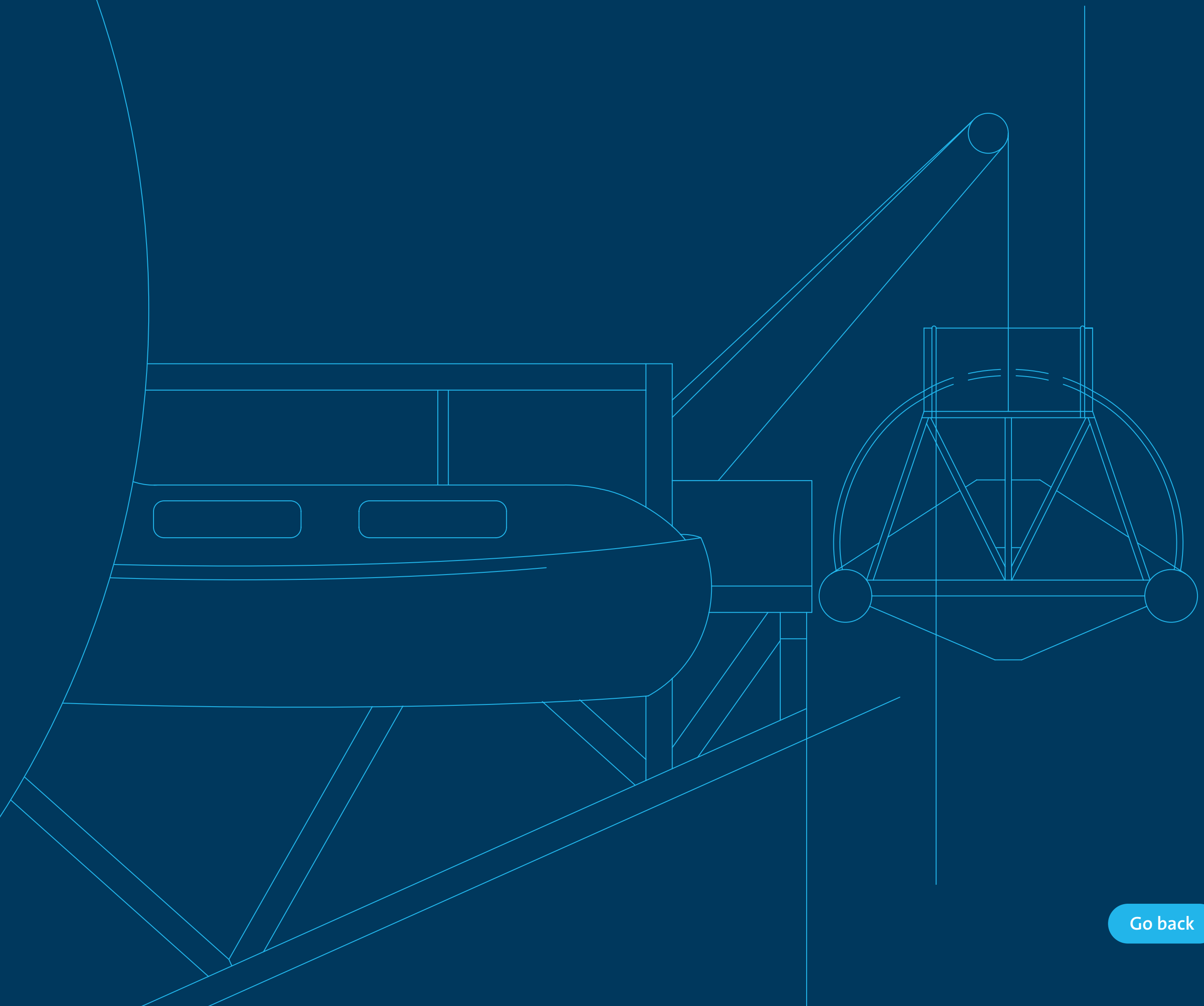

Consolidated financial statements

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Consolidated statement of profit or loss

(USD million)	Note	2024	2023
Charter revenues	4	136.1	93.2
Other operating revenues	4, 5	3.7	4.5
Operating revenues		**139.8**	**97.7**
Employee benefits	6	(51.2)	(45.5)
Other operating expenses	7	(61.4)	(62.7)
Operating profit/(loss) before depreciation and impairment		**27.2**	**(10.5)**
Depreciation	8	(33.0)	(31.1)
Impairment	8	**(8.4)**	**0.0**
Operating loss		**(14.2)**	**(41.6)**
Interest income		2.3	2.1
Interest expenses	10	(31.1)	(30.9)
Other financial income	9	1.3	0.0
Other financial expenses	9	**(2.9)**	**(2.8)**
Net financial items	10	**(30.4)**	**(31.6)**
Loss before taxes		**(44.6)**	**(73.2)**
Taxes	11	**(2.1)**	**5.4**
Net loss		**(46.7)**	**(67.8)**
Attributable to equity holders of the parent		**(46.7)**	**(67.8)**
Basic earnings per share (USD)	12	(2.61)	(6.00)
Diluted earnings per share (USD)	12	(2.61)	(6.00)

[1] Prosafe currently has no share-based compensation that results in a dilutive effect on earnings per share

Consolidated statement of comprehensive income

(USD million)	2024	2023
Net loss for the year	**(46.7)**	**(67.8)**
Other comprehensive (loss)/ income		
Items to be reclassified to profit or loss in subsequent periods:		
Foreign currency translation	(1.2)	1.3
Items that will not be reclassified to profit or loss in subsequent periods:		
Pension remeasurement	(0.1)	(0.1)
Other comprehensive (loss)/income for the year, net of tax	**(1.3)**	**1.2**
Total comprehensive loss for the year attributable to equity holders of the parent	**(48.0)**	**(66.6)**

Consolidated statement of changes in equity

(USD million)	Note	Share capital	Other equity	Foreign currency translation	Total equity
Equity at 31 December 2022		**12.4**	**(2.9)**	**27.8**	**37.3**
Net loss		0.0	(67.8)	0.0	(67.8)
Other comprehensive (loss)/income		0.0	(0.1)	1.3	1.2
Total comprehensive (loss)/income		**0.0**	**(67.9)**	**1.3**	**(66.6)**
Issue of ordinary shares	13	12.4	50.3	0.0	62.7
Share-based compensation	6	0.0	0.4	0.0	0.4
Equity at 31 December 2023		**24.8**	**(20.1)**	**29.1**	**33.8**
Net loss		0.0	(46.7)	0.0	(46.7)
Other comprehensive loss		0.0	(0.1)	(1.2)	(1.3)
Total comprehensive loss		**0.0**	**(46.8)**	**(1.2)**	**(48.0)**
Share-based compensation	6	0.0	1.0	0.0	1.0
Equity at 31 December 2024		**24.8**	**(65.9)**	**27.9**	**(13.2)**

The legal form of the share capital and the share premium accounts are reflected in the statement of changes in equity of the accompanying parent Company financial statements. Other equity includes share premium reserve, capital reduction reserve, share-based compensation reserve and retained earnings.

Consolidated statement of financial position

(USD million)	Note	31/12/2024	31/12/2023
Assets			
Vessels	8, 16	356.5	383.7
Property, plant and equipment	8	4.3	1.8
Total non-current assets		**360.8**	**385.5**
Cash and cash equivalents	17, 19	46.8	74.6
Inventories		5.0	5.0
Debtors	17, 18	21.6	14.6
Other current assets	20	8.5	13.0
Total current assets		**81.9**	**107.2**
Total assets		**442.7**	**492.7**

(USD million)	Note	31/12/2024	31/12/2023
Equity and liabilities			
Share capital	13	24.8	24.8
Other equity		(38.0)	9.0
Total equity		**(13.2)**	**33.8**
Interest-bearing non-current liabilities	14, 17, 18	67.7	415.5
Other non-current liabilities	17	1.6	1.8
Total non-current liabilities		**69.3**	**417.3**
Interest-bearing current debt	14, 17, 18	348.2	4.0
Accounts payable	17	1.6	4.1
Taxes payable	11	7.8	10.1
Other current liabilities	15, 17	29.0	23.4
Total current liabilities		**386.6**	**41.6**
Total equity and liabilities		**442.7**	**492.7**

On 30 April 2025, the Board of Directors of Prosafe SE approved
and authorised these financial statements for issue.

Glen Ole Rødland
Non-executive Chair

Birgit Aagaard-Svendsen
Non-executive Director

Nina Udnes Tronstad
Non-executive Director

Halvard Idland
Non-executive Director

Terje Askvig
Chief Executive Officer

Consolidated statement of cash flows

(USD million)	Note	2024	2023
Cash flow from operating activities			
Loss before taxes		(44.6)	(73.2)
Gain on sale of non-current assets		0.0	(1.7)
Depreciation and Impairment	8	41.4	31.1
Interest income		(2.3)	(2.1)
Interest expenses	14	31.1	30.9
Taxes paid		(4.4)	(2.5)
Share-based compensation		1.0	0.4
Change in working capital		0.8	4.6
Other items from operating activities		0.1	1.0
Net cash provided/(used in) by operating activities		**23.1**	**(11.5)**

(USD million)	Note	2024	2023
Cash flow from investing activities			
Net proceeds from disposal of property, plant and equipment		0.0	1.7
Acquisition of property, plant and equipment	8	(16.7)	(37.7)
Interest received		2.3	2.1
Net cash used in investing activities		**(14.4)**	**(33.9)**
Cash flow from financing activities			
Repayments of interest-bearing debt		(6.5)	(6.4)
Interests paid		(28.1)	(28.0)
Issuance of ordinary shares		(0.1)	62.8
Refinancing costs		(1.8)	0.0
Net cash from/(used in) financing activities		**(36.5)**	**28.4**
Net cash flow		**(27.8)**	**(17.0)**
Cash and cash equivalents at 1 January		74.6	91.6
Cash and cash equivalents at 31 December	19	**46.8**	**74.6**

Notes to the consolidated financial statements

Note 1 Corporate information and principal activity

Prosafe SE (the 'Company') is a public limited company domiciled in Norway. The registered office of the Company is Forusparken 2, 4031 Stavanger, Norway. The Company is a leading owner and operator of offshore accommodation vessels. The Company is listed on the Oslo Stock Exchange with ticker code 'PRS'.

The consolidated accounts comprise the financial statements of the Company and its subsidiaries (together referred to as the 'Group').

The consolidated accounts for the year ended 31 December 2024 were approved and authorised for issue in accordance with a resolution of the Board of Directors on 30 April 2025.

Note 2 Statement of compliance and basis of preparation

The consolidated financial statements have been prepared in accordance with IFRS® Accounting Standards endorsed by the European Union and effective as of 31 December 2024. Prosafe also provides additional disclosures in accordance with requirements in the Norwegian Accounting Act. The consolidated accounts have been prepared on a historical cost basis except as otherwise described in the notes below.

The parent Company's functional currency is US dollars (USD) and this is also the reporting currency for the Group, and all amounts have been rounded to the nearest millions, unless otherwise indicated. Adding up rounded figures and calculating percentage rate of changes may result in slight differences compared with totals arrived at by adding up component figures which have not been rounded.

The accounting policies adopted are consistent with those in the previous financial years.

Critical judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements requires Management to make critical judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

The estimates and assumptions are assessed on a continuous and regular basis. Revisions to estimates are recognised prospectively.

A. Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements are disclosed below.

Going concern. The Board and management view that achieving a long-term sustainable financial structure is realistic and have therefore prepared the annual report on a going concern basis.

The Group continues to closely monitor compliance with the minimum liquidity covenant of USD 28 million. As at 31 December 2024, the Group had an unrestricted liquidity reserve of USD 63.5 million, and excluding the New Group and restricted cash had minimum liquidity of USD 61.6 million and was compliant with the minimum cash covenant. From March 2025, the minimum liquidity covenant was reduced to USD 10 million.

Based on current contracts and outlook for 2025, management forecasts a potential breach of the minimum cash covenant in the fourth quarter of 2025. The tight liquidity situation is due to several factors, including a slower than expected North Sea market in 2024, high investment requirements in 2025 related to vessel reactivations and mobilisations, Special Periodic Surveys (SPS), thruster overhauls, maintenance and a high-interest rate level.

In response to a potential covenant shortfall within 12 months and a tight liquidity situation in the next 12 to 18 months, management continues to investigate potential measures to remain in compliance with the minimum liquidity covenant and secure a successful refinancing in advance of the loan maturity in end 2025.

On 24 April, Prosafe announce that it has agreed the terms of a recapitalisation (the “Transaction”) with lenders representing the Group's USD 250 million loan facility and its USD 93 million loan facility (the “Existing Facilities”), subject to final approvals being obtained by all lenders. The Transaction is also supported by shareholders representing 54% of the shares in the Company.

The Transaction involves the equitisation of USD 193 million of the Existing Facilities in return for 90% of the shares in Prosafe post Transaction. Existing shareholders will initially hold 5% of the shares in the Company and will be offered an additional 5% of shares in the form of penny warrants (at EUR 0.01 per share).

The Transaction also includes a reinstatement of the Existing Facilities and new money financing on the following basis (together, the “New Facility”):

a. a super senior secured facility of USD 150 million, comprising (i) USD 75 million by way of new money injections, backstopped by an ad hoc group of creditors, and (ii) USD 75 million of elevated and reinstated debt under the Existing Facilities, each maturing 31 December 2029 (or, subject to certain conditions, the date on which the Eurus Seller's Credit falls due); and
b. a reinstated senior secured facility comprised of USD 75 million of reinstated debt maturing 31 December 2029 (or, subject to certain conditions, the date on which the Eurus Seller's Credit falls due).

The post Transaction shareholdings above are calculated based on an assumption of full exercise of shareholder warrants, but before any new management incentive program which may be established post Transaction.

The Transaction shall include the following features (among other things):

a. the establishment of a new Norwegian domiciled holding company, shares of which will be charged to lenders under the New Facility, to be interposed between the Company and certain of its subsidiaries;
b. no fixed amortisation in respect of the New Facility, which shall be repayable in full at maturity;
c. a fee (the “Fee”) shall be payable to the lenders of the super senior secured facility of USD 5 million at maturity; and
d. interest of SOFR + margin (sized to 11% per annum) on the New Facility, payable in cash. The senior secured facility will include the ability for the Company to pay 2% cash interest and 9% PIK interest as an alternative to 11% full cash interest subject to certain conditions.

The Transaction will provide the Group with a sustainable capital structure and sufficient liquidity to meet its capital expenditure and working capital needs for the foreseeable future. Total gross debt post the Transaction will be approximately USD 306 million, consisting of a USD 155 million super senior facility (including the Fee), a USD 75m senior facility and the USD 75.5 million remaining Cosco Seller's Credit for Safe Eurus. Total net debt post the Transaction will be approximately USD 220 million, with unrestricted liquidity (after transaction costs) of approximately USD 80 million.

Transaction completion is subject to agreeing customary documentation with lenders and shareholders, final lender approvals and formal shareholder approvals (including approval at an extraordinary general meeting of the Company's shareholders).

The Group has been granted a waiver from its lenders under the existing USD 250 million loan facility and a forbearance from its lenders under the existing USD 93 million loan facility until 31 July 2025, in both cases with respect to interest payments. The minimum liquidity covenant under the respective facilities has also been reduced to USD 10m.

The Group aims to conclude the Transaction by Q3 2025. The Company will make further announcements as and when there are further developments regarding implementation of the Transaction. Notice to convene an extraordinary general meeting of the Company's shareholders to approve the Transaction was issued 25 April 2025. The pending approval imposes a material uncertainty related to going concern for the Company. The Board and management view that achieving a long-term sustainable financial structure is realistic and have therefore prepared the annual report on a going concern basis.

Impairment/reversal of impairment of non-financial assets. Management monitors the performance indicators on an ongoing basis. Every vessel is seen as an individual cash generating unit (CGU) as they generate cash inflows that are largely independent of those from other assets or groups of assets. At each reporting date, management reviews and determines whether there is any indication of impairment or impairment reversal of the CGU. If any such indication exists, or when annual impairment testing for an asset is required, the asset's recoverable amount is estimated. Changes in the circumstances or expectations of future performance of an individual asset may be an indicator that the asset is impaired, requiring the carrying amount to be written down to its recoverable amount. Impairments are reversed if conditions for impairment are no longer present. Evaluating whether impairment indicators are present, if an asset is impaired or if an impairment should be reversed requires a high degree of judgement.

Impairment of shares in subsidiaries. The impairment indicator assessment mentioned above impacts the impairment indicator assessment for the shares in vessel-owning subsidiaries. Hence, impairment of shares in subsidiaries is a significant estimate required for the preparation of the parent Company accounts.

B. Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are disclosed below.

Depreciation. Estimated useful life of the Group's accommodation/service vessels is set at 35 years or less dependent on the age at the time of acquisition and subsequent refurbishments. Individual components may, however, be depreciated over shorter periods of time. Refer to note 8 for details.

Changes in material accounting policies

Changes to the Standards and interpretations of Standards that are required to be adopted in annual periods beginning on 1 January 2025 did not have any impact on the amounts recognised in prior periods and are not expected to have any significant impact to the current or future periods.

Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants (Amendments to IAS 1) – The Group has adopted Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants (Amendments to IAS 1) from 1 January 2024. The amendments apply retrospectively. They clarify certain requirements for determining whether a liability should be classified as current or non-current and require new disclosures for non-current loan liabilities that are subject to covenants within 12 months after the reporting period.

The amendments had no impact on the Group's consolidated financial statements.

Standards issued but not yet effective, which the Group has not yet adopted

A number of amendments and improvements to standards have been issued and are effective for annual periods beginning after 1 January 2025 and earlier application is permitted; however, the Group has not adopted the new or amended standards in preparing these consolidated financial statements earlier. The Group's assessment is that the following new or amended standards and interpretations are not expected to have a material impact to the Group in the current or future reporting periods or on foreseeable future transactions upon adoption:

- Presentation and Disclosures in Financial Statements (IFRS 18)

Note 3 Material accounting policies

Basis of consolidation. The consolidated financial statements comprise the financial statements of the parent Company and its subsidiaries. Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost. The financial statements of the subsidiaries are prepared for the same reporting period as the parent Company, using consistent accounting policies.

All intra-group balances, income and expenses, unrealised gains and losses and dividends resulting from intra-group transactions are eliminated in full.

Foreign currency translation. The presentation currency is USD. This is also the functional currency for the parent Company. Transactions in other currencies than the functional currency are translated at the exchange rate prevailing at the transaction date. Monetary items in other currencies than the functional currency are translated to the functional currency at the exchange rate on the reporting date, and the currency difference is recognised in the profit and loss account. Non-monetary items in currencies other than the functional currency are translated at the exchange rate at the transaction date.

When consolidating companies with a functional currency other than USD, profit and loss items are translated at the monthly average exchange rate, while statement of financial position items are translated at the exchange rate on the reporting date. Translation differences are recognised in other comprehensive income. On disposal of a foreign operation, the deferred cumulative amount recognised in other comprehensive income relating to that particular operation, is recognised in the statement of profit or loss.

Segment reporting. For management and monitoring purposes, the Group is organised into one segment; chartering and operation of accommodation/service vessels. For geographical information, reference is made to note 4.

Revenue recognition

Type of Product/Service	Nature and timing of satisfaction of performance, including significant payment terms	Revenue recognition
Charter Income/ Mobilisation Income/ Demobilisation Income/ Lump sum fee	The Group charters the accommodation vessels to customers for an agreed period. The Group does not convey the right to control the use of the asset to the customers and none of the contracts are accounted for as a lease. The invoices are issued on a monthly basis or based on the contractual terms and are normally payable within 30 days.	The activities giving rise to mobilisation, demobilisation and re-phasing are not a distinct performance obligation in itself and are highly interdependent on the charter activities. These activities are necessary for the Group to perform its service in providing the accommodation vessels to the customer. These incomes, together with charter income and bareboat income, are considered as a single performance obligation and the revenue are collectively recognised over the contract period according to the terms of the agreement and in the period the work is performed. In addition, any additional fees arising from suspension or deferment of contracts will be deferred and amortised over the contract period when the performance obligations are met. The deferred revenue is included in the contract liabilities.
Management, crew services, catering and other related income	The Group provides optional services upon request from the customer. The invoices are issued on a monthly basis or based on the contractual terms and are payable normally within 30 days.	These incomes are recognised over time when performance obligations are met. The related costs are recognised in profit or loss when they are incurred.

The Group has reviewed its contracts with customers and concluded that these contracts do not contain a lease. If another conclusion determined that these contracts contain a lease, there will not be any significant difference in the accounting of revenue.

The Group has assessed that the costs to perform mobilisation and demobilisation activities are costs that has incurred in fulfilling a contract with the customer. These costs relate directly to a contract, generate resources used in satisfying the contract and are expected to be recovered. The costs are therefore capitalized as costs to fulfil a contract and amortized on a systematic basis over the contract period, see note 4 for further details.

Interest income is recognised on a time-proportion basis using the effective interest method. Interest income is included in financial items in the statement of profit or loss.

Dividend income is recognised when the right to receive payment is established.

Provisions are recognised when, and only when, the Group has a present obligation as a result of events that have taken place, and it can be proven probable that a financial settlement will take place as a result of this liability, and that the size of the amount can be measured reliably. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Provisions are reviewed on each balance sheet date and their level reflects the best estimate of the liability. When the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit or loss net of any reimbursement.

For onerous contracts, provisions are made when unavoidable cost of meeting the obligations under the contract exceed the economic benefit to be received under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract, which is determined based on the incremental costs of fulfilling the obligation under the contract and an allocation of other costs directly related to fulfilling the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

Vessels, Property, Plant and Equipment are recognised at cost less cumulative depreciation and accumulated impairment losses, if any. Assets are depreciated on a straight-line basis over their estimated useful lives, with account taken of their estimated residual value. Management makes annual assessments of residual value, methods of depreciation and the remaining useful life of the assets. Components of an asset which have an estimated shorter life than the main component of the asset are accordingly depreciated over this shorter period. Acquisition cost comprises of fixed or variable consideration and includes costs directly attributable to the acquisition of the assets. Subsequent adjustment to variable consideration is recognised as a corresponding adjustment to the acquisition cost. Subsequent expenditures are added to the book value of the asset or accounted for on a separate basis, when it is likely that future benefits would derive from the expenditures. The vessels are subject to a periodic survey every five years, and associated costs are amortised over the five-year period to the next survey. Other repair and maintenance costs are expensed in the period they are incurred.

Expenditures for new builds are capitalised, including instalments paid to the yard, project management costs, and costs relating to the initial preparation, mobilisation and commissioning until the vessel is placed into service. In accordance with IAS 23, borrowing costs are capitalised on qualifying asset.

Tangible fixed assets are depreciated on a straight-line basis over their useful lifetime as follows:
- Semi-submersible vessels:
  - Superstructure: 35 years or less
  - Living quarters and other equipment: 5 to 35 years
  - Periodic maintenance: 5 years
- Right-of-use assets (leases): 3 to 5 years
- Equipment: 3 to 5 years

Impairment of non-financial assets. The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. Every vessel is seen as an individual CGU. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available.

The Group bases its impairment calculation on a detailed forecast calculation which is prepared for the Group's cash generating units. The forecast calculation is generally covering a period of five years and a terminal value. In 2023 and 2024, there was no valuation-in-use calculation as there were no impairment indicators. The value-in-use calculation was last performed and disclosed in 2020.

For non-financial assets, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a significant change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Management has not identified any indicators for reversal of impairment as at the end of the reporting period, please see note 8 for further details.

Financial assets

Initial recognition

Trade receivables are initially recognised when they are originated. All other financial assets are initially recognised when the Group becomes a party to the contractual provision of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) is initially measured at fair value plus, for an item not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Classification and measurement

On initial recognition, a financial asset is classified as measured at amortised cost as it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the changes in the business model.

Subsequent measurement and gains and losses

Financial assets at amortised cost are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Derecognition

A financial asset is derecognised when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Impairment of financial assets

The Group recognises loss allowances for expected credit losses on:

- Financial assets measured at amortised cost

Loss allowances for trade receivables and assets are always measured at an amount equal to lifetime expected credit losses.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available without undue cost of effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

The Group considers a financial asset to be in default when:

- The borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- The financial asset is more than 90 days past due.

Measurement of expected credit losses:

- For trade receivables, the Group applies the simplified method of credit reserves, i.e. the reserve will correspond to the expected loss over the whole life of the trade receivable. In order to measure the credit losses, trade receivables are grouped based on credit risk characteristics of its customer. The Group applies forward-looking variables for expected credit losses.
- Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e., the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive).
- Expected credit losses are discounted at the effective interest rate of the financial asset.

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired, which is when one or more events that have a detrimental impact on the estimated future cash flow of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:
- Significant financial difficulty of the borrower or issuer;
- A breach of contract such as default or being more than 90 days past due;
- The restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- It is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- The disappearance of an active market for a security because of financial difficulties.

Loss allowances of expected credit losses for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets as in the statement of financial position.

Derecognition of financial assets

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For customers, the Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is reasonable expectation of recovery. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amount due.

Financial liabilities

Initial recognition

Financial liabilities within the scope of IFRS 9 are classified as financial liabilities measured at amortised cost. The Group determines the classification of its financial liabilities at initial recognition. Financial liabilities are recognised initially at fair value and, in case of loans and borrowings, net of directly attributable costs. The Group's financial liabilities include non-derivative financial instruments (trade and other payables, loans and borrowings, and financial guarantee contracts).

Subsequent measurement and gains and losses

Financial liabilities at amortised costs are subsequently measured at amortised cost using the effective interest method. If there is a change in the timing or amount of estimated cash flows, the amortised cost of the financial liability is adjusted in the period of change to reflect the revised actual and estimated cash flows, with a corresponding income or expense being recognised in profit or loss. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Derecognition

A financial liability is derecognised when the contractual obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

Fair value of financial instruments. The fair value of financial instruments that are actively traded in organised financial markets is determined by reference to quoted market bid prices at the close of business on the balance sheet date. For financial instruments where there is no active market, fair value is determined using valuation techniques. Such techniques may include using recent arm's length market transactions, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis or other valuation models.

Employee benefits

Defined contribution plans

Companies within the Group make contributions to pension schemes that are defined contribution plans. The companies' payments are recognised in the statement of profit or loss for the year to which the contribution applies.

Share-based compensation arrangements

The Group operates an equity-settled, share-based compensation plan. The grant-date fair value of equity-settled share-based payment arrangements granted to employees is recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service at the vesting date.

At each balance sheet date, the Group revises its estimates of the number of shares under options that are expected to become exercisable on the vesting date and recognises the impact of the revision of the estimates in profit or loss, with a corresponding adjustment to the equity over the remaining vesting period. When the options are exercised, the proceeds received (net of transaction costs) and the related balance previously recognised in the equity are credited to the share capital account, when new ordinary shares are issued, or to the "treasury shares" account, when treasury shares are re-issued to the employees.

Borrowing costs. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. Capitalised borrowing costs are calculated using the effective interest method.

Leases. A lease is defined as a contract that conveys the right to control the use of an identified asset for a period in exchange for consideration. For each contract that meets this definition, the lessees will recognise a right-of-use asset and a lease liability in the balance sheet with certain exemptions for short term and low value leases. Lease payments are to be reflected as interest expense and a reduction of lease liabilities, while the right-of-use assets are to be depreciated over the shorter of the lease term and the assets useful life. The portion of lease payments representing payments of lease liabilities and interest expense shall be classified in line with the policy elected for other interest payments in the statement of cash flows.

Lease liabilities are measured at the present value of remaining lease payments, discounted using the incremental borrowing rate. At initial recognition, right-of-use assets are measured at an amount equal to the lease liability.

Lease liabilities for the Group comprise of leases of offices, warehouses, and other IT infrastructure and office equipment. The Group separately expenses variable expense services and other non-lease components embedded in lease contracts for office buildings and warehouses. For leases of other assets, the Group capitalises non-lease components subject to fixed payments as part of the lease.

The Group applies the general short-term exemption for leases of offices, and office equipment. Leases with a lease term of 12 months or less that do not contain a purchase option are expensed as short-term leases.

The Group also applies the general low value exemption for leases of office equipment. This applies for all leases where the value of the underlying asset is below USD 5,000. These low value leases of such assets will not be capitalised and that lease payments are expensed in profit or loss.

Inventories are bunker stock that are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out principle, and include expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their existing location and condition. Net realisable value is the estimated selling price in the ordinary course of business and estimated costs necessary to make the sale.

Income taxes in the statement of profit or loss include taxes payable and changes in deferred tax. Deferred tax is calculated based on temporary differences between book and tax values that exist at the end of the period. Deferred tax asset is recognised in the statement of financial position when it is probable that the tax benefit can be utilised. Deferred tax and deferred tax asset are measured at nominal value.

Income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered or paid to the tax authorities. Deferred tax liabilities are measured at the tax rates that are expected to apply in the year when the liability is settled, based on tax rates that have been enacted or substantively enacted at the reporting date. Deferred tax is provided using the liability method. Deferred tax assets and liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same tax authority.

Cash and cash equivalents comprise cash at banks and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

Shareholder's equity. Any difference between the issue price of share capital and the nominal value is recognised as share premium. The costs incurred attributable to the issue of share capital are deducted from equity. Share options that will be settled by the Company by delivering a fixed number of its own equity instruments in exchange for a fixed amount of cash are equity instruments and recognised in equity. The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

Note 4 Segment reporting and contract balances

The Group has one segment, which is chartering and operation of accommodation vessels for maintenance and safety.

Operating revenues by geographical location	2024	2023
South America	99.0	79.0
North America	38.8	15.2
Europe	2.0	3.5
Total operating revenues	**139.8**	**97.7**

The revenue allocation is based on place of operation of the vessel.

	2024		2023	
Operating revenues by major customers	USD	Percentage[1]	USD	Percentage[1]
South America	99.0	70.8%	79.0	80.9%
North America	38.8	27.8%	15.2	15.6%

[1] Percentage of total revenues

Total non-current assets by geographical location	2024	2023
South America	272.0	285.6
North America	4.7	17.3
Europe	84.0	82.6
Asia	0.1	0.0
Total non-current assets	**360.8**	**385.5**

Contract balances	31.12.2024	31.12.2023	01.01.2023
Trade receivables from charters	21.6	14.6	20.6
Contract assets	0.7	6.5	2.0
Contract liabilities	10.3	0.9	0

The contract assets relate to costs directly related to a contract used in satisfying performance obligations in the next 12 months from the balance sheet date. The contract assets are amortised to expenses over the performance obligation of the contract or recognised as a deduction of revenue over the performance obligation of the contract. The contract liabilities relate to deferral fees or upfront consideration received from customers. The contract liabilities are recognised as revenue over the performance obligation of the contract.

Significant changes in the contract assets and the contract liabilities during the year are as follows:

	Contract assets		Contract liabilities	
	2024	2023	2024	2023
Revenue from recognition of the opening balance	0.0	0.0	(0.9)	0.0
Revenue deduction from recognition of the opening balance	0.0	(2.0)	0.0	0.0
Consideration received during the year not recognised as revenue	0.0	0.0	10.3	0.9
Asset recognised as costs incurred to fulfil a contract during the year	(6.5)	0.0	0.0	0.9
Capitalised costs to fulfill contract used in satisfying performance obligations in the next 12 months	0.7	6.5	0.0	0.0

The below table includes the Group's firm order book, consisting of performance obligations that are unsatisfied or partially satisfied as at the end of the reporting period.

Chartering and operation of accommodation vessels	Next 12 months	Next 1–3 years	More than 3 years	Total
31 December 2024	148.0	77.4	0.0	225.4
31 December 2023	118.8	63.2	56.6	238.6

Variable considerations that are constrained and not considered in the transaction price are excluded from the table above.

Note 5 Other operating revenues

	2024	2023
Gain on sale of non-current assets	0.0	1.7
Management, crew services, catering and other related income	3.7	2.8
Total other operating revenues	**3.7**	**4.5**

Note 6 Employee benefits and senior executive management remuneration

	2024	2023
Wages and salaries	19.5	18.3
Contract personnel	14.7	12.7
Other personnel-related expenses	8.8	8.2
Social security taxes	5.6	4.6
Pension expenses	1.0	0.9
Share-based compensation expense	1.0	0.4
Other staff benefits	0.6	0.4
Total employee benefits	**51.2**	**45.5**

Number of employees

The average number of employees in the Group for 2024 was 268 (2023: 227). The increase is mainly driven by Brazilian offshore crew being direct employees of the Group and not agency personnel as in most other jurisdictions. The average number of employees per legal entity was as follows.

	2024	2023
Prosafe Offshore Limited	51	56
Prosafe Services Maritimos Ltda	183	141
Prosafe AS	10	7
Prosafe Offshore Holdings Pte. Ltd.	9	10
Prosafe SE	2	2
Safe Eurus Singapore Pte. Ltd.	13	11
Total average number of employees	**268**	**227**

Variable pay scheme

The senior executive management and selected employees hold incentive agreements which may lead to a variable payment. The variable pay depends on achieving defined targets relating to earnings, cost efficiency targets, long-term strategic targets, operational performance and HSE performance.

Severance pay

Members of the senior executive management may be guaranteed a remuneration corresponding to the gross annual fixed base salary at the time of termination for a period up to 12 months beyond a notice period of up to 6 months.

Share options (Equity-settled share-based payment)

In 2022, the Group initiated a long-term incentive program where senior executive management and selected employees were granted options to subscribe for ordinary shares of Prosafe SE. In 2024, the shareholders held an extraordinary general meeting on 22 February 2024 to amend the Board of Directors' remuneration to ensure a compensation structure linked to the share price development of the Group. The Board of Directors'' remuneration is amended to include options to subscribe for ordinary shares of Prosafe SE from the 2023 Annual General Meeting ("AGM") until the 2024 AGM.

The Board of Directors agreed to a reduced board fee in exchange for the share options.

The exercise price of the options for the Board of Directors was determined as the closing prices of the Company's ordinary shares as quoted on the Oslo Stock Exchange the previous market day prior to day of calling the extraordinary general meeting. The share options have a vesting period until the date that is 24 months after 22 February 2024 ("Vesting Date") and can only be exercised between the Vesting Date and the date that is 36 months after 22 February 2024 ("Expiry Date"). In the event a member of the Board resigns or is not reelected prior to the Vesting Date, the share options will be forfeited except a number of share options representing the period served since the 2023 AGM until the date of resignation pro rata in relation to the period from the 2023 AGM until the Vesting Date. The share options are non-tradeable and not transferable. Any share options not exercised at the Expiry Date will lapse without compensation to the holder.

The vesting of the options is conditional on the key management personnel or employee completing a number of years of service to the Group

In 2023, the Group repriced the strike price of options granted to senior executive management and selected employees that were granted in 2022. Also, new share options were offered to senior executive management and selected employees.

The exercise price of the options for the senior executive management and selected employees is determined by the Board of Directors. The share options grant have a different vesting period ("Vesting Period") and can only be exercised between the Vesting Period and the expiry date of the option. In the event a member of the senior executive management and selected employees resigns prior to the Vesting Period, the share options will be forfeited. The share options are non-tradeable and not transferable. Any share options not exercised at the expiry date will lapse without compensation to the holder. The vesting of the options is conditional on the senior executive management and employees completing a number of years of service to the Group. In 2023, the Group repriced the strike price of options granted to senior executive management and selected employees that were granted in 2022. Also, new share options were offered to senior executive management and selected employees. In 2024, no new share options were awarded to senior executive management or employees.

Each share option allow the holder to subscribe to one ordinary share in the Company.

Though the share options are awarded by the Company, the respective subsidiaries bear all costs and expenses in any way arising out of, or connected with, the grant and vesting of the awards to their employees.

The key terms and conditions as of 31 December 2024 are as follows:

Grant date	Commencement date	Expiry of Options	Exercise price (in NOK)	Vesting conditions	Number of share options outstanding
Board of Directors					
22 February 2024	22 February 2024	21 February 2027	65.50	24 months from commencement date	217,740
Senior executive management					
11 May 2022	10 February 2022	9 February 2027	83.00	Equally over 24, 36 and 48 months from	100,000
19 August 2022(repriced 28 March 2023)	19 August 2022	18 August 2027	146.50	commencement date	100,000
26 July 2023	1 November 2023	31 October 2027	109.13	Equally over 12, 24 and 36 months from	220,000
6 October 2023	1 November 2023	31 October 2027	109.13	commencement date	20,000
Selected employees					
11 May 2022 (repriced 6 October 2023)	11 May 2022	10 May 2027	109.13	Equally over 24, 36 and 48 months from commencement date	80,000
6 October 2023	1 November 2023	31 October 2027	109.13	Equally over 12, 24 and 36 months from	40,000
6 November 2023	6 November 2023	5 November 2027	109.13	commencement date	20,000
Total share options					**797,740**

Movement of share options	2024	2023
Outstanding at 1 January	580,000	450,000
Granted during the year	275,000	300,000
Cancelled during the year	(57,260)	(170,000)
Outstanding at 31 December	797,740	580,000
Exercisable at 31 December	193,333	0

The fair value of an option granted was estimated using the Black Scholes option-pricing model and the transactions are accounted for as equity-settled share-based compensation. The inputs used in the measurement of the fair values at grant date/ repricing date of the equity-settled share-based compensation plans were as follows.

Grant/Repricing date	Fair value at grant date/ repricing date (in NOK)	Share price at grant date/ repricing date (in NOK)	Exercise price (in NOK)	Expected volatility	Risk-free interest rate (based on government bonds at grant date)
Board of Directors					
22 February 2024	2.42	45.00	65.50	20%	4.00%
Senior executive management					
11 May 2022	98.85	178.00	83.00	20%	2.76%
19 August 2022(repriced 28 March 2023)	89.31	151.04	146.50	20%	2.90%
26 July 2023	34.29	120.82	109.13	20%	4.01%
6 October 2023	13.74	90.12	109.13	20%	4.26%
Selected employees					
11 May 2022(repriced 6 October 2023)	58.63	90.12	109.13	20%	4.21%
6 October 2023	13.74	90.12	109.13	20%	4.26%
6 November 2023	2.79	63.85	109.13	20%	3.92%

The inputs used in the measurement of the fair values for the share option granted or repriced in 2023 is similar as above.

Expected volatility has been based on implied oil price volatility.

In accordance with the code of practice for corporate governance recommended by the Oslo Stock Exchange, remuneration for the Board of Directors and senior executive management is specified below and in a separate report from the Board of Directors.

Senior Executive Management

(USD 1 000)	Year	Salary	Bonus	Pension	Other benefits	Total
Terje Askvig – CEO	2024	463	285	31	29	808
(from November 2023)	2023	86	50	5	5	146
Jesper Kragh Andresen – CEO	2023	446	0	10	12	468
(until April 2023)						
Reese McNeel – CFO	2024	382	149	31	1	563
(Interim CEO/CFO May 2023–October 2023)	2023	348	90	30	4	471
Ryan Stewart – CCO	2024	384	168	38	6	596
(COO to July 2023 and CCO from July 2023)	2023	360	55	36	3	454

Board of Directors

(USD 1 000)	2024	2023
Glen Ole Rødland (Chair)	107	112
Alf C. Thorkildsen (Deputy Chair) (until October 2023)	0	75
Gunnar Eliassen (Deputy Chair) (February 2024–December 2024)	65	0
Birgit Aagaard-Svendsen	81	100
Nina Udnes Tronstad	71	84
Halvard Idland [1]	74	77
Simen Flaaten (June 2023–February 2024)	11	41
Total [2]	**409**	**489**

[1] Director from May 2022, Deputy Director from June 2023–November 2023 and Director from November 2023

[2] If applicable, figures include compensation from the audit committee, compensation committee, travel allowances and share option expense. In 2024, the Board of Directors fees were reduced in lieu of share options awarded.

Note 7 Other operating expenses

	2024	2023
Repair and maintenance	25.2	21.8
Other vessel operating expenses	30.6	34.8
General and administrative expenses[1]	5.6	6.1
Total other operating expenses	**61.4**	**62.7**

Auditors' remuneration

(USD 1,000)	2024	2023
Audit fees	390	448
Audit of other related services	5	0
Total auditors' remuneration	**395**	**448**

[1] Auditors' remuneration is included in the general and administrative expenses

Note 8 Property, plant and equipment

	Vessels	New builds	Equipment	Right-of-use assets	Total
Cost as at 31 December 2022	**2,597.4**	**60.7**	**3.7**	**1.6**	**2,663.4**
Additions	37.2	0.0	0.5	0.8	38.5
Disposals	0.0	0.0	0.0	(0.1)	(0.1)
Currency translation differences	0.0	0.0	0.0	0.1	0.1
Cost as at 31 December 2023	**2,634.6**	**60.7**	**4.2**	**2.4**	**2,701.9**
Additions	13.7	0.0	2.9	0.2	16.8
Disposals	(70.5)	0.0	0.0	(0.4)	(70.9)
Currency translation differences	0.0	0.0	(0.1)	0.0	(0.1)
Cost as at 31 December 2024	**2,577.8**	**60.7**	**7.0**	**2.2**	**2,647.7**
Accumulated depreciation and impairment 31 December 2022	**2,220.6**	**60.7**	**3.3**	**0.8**	**2,285.4**
Depreciation for the year	30.3	0.0	0.4	0.4	31.1
Disposals	0.0	0.0	0.0	(0.1)	(0.1)
Accumulated depreciation and impairment 31 December 2023	**2,250.9**	**60.7**	**3.7**	**1.1**	**2,316.4**
Depreciation for the year	32.5	0.0	0.1	0.4	33.0
Impairment for the year	8.4	0.0	0.0	0.0	8.4
Disposals	(70.5)	0.0	0.0	(0.4)	(70.9)
Accumulated depreciation and impairment 31 December 2024	**2,221.3**	**60.7**	**3.8**	**1.1**	**2,286.9**
Net carrying amount 31 December 2024	**356.5**	**0.0**	**3.2**	**1.1**	**360.8**
Net carrying amount 31 December 2023	**383.7**	**0.0**	**0.5**	**1.3**	**385.5**
Economically useful life (years)	**5–35**		**3–5**	**3–5**	

New builds
New builds include prepayments to the yard, owner-furnished equipment and other project costs incurred. See note 22 for details relating to the new builds.

Vessels
Estimated useful life for the semi-submersible accommodation vessels is set at 35 years or less dependent on the age at the time of the acquisition and subsequent refurbishments as the economic life varies for the various components on a vessel. Individual components may, however, be depreciated over shorter periods of time than the life of the vessel itself. The management has assessed the Group's vessels residual value to remain the same as prior year at USD 4.2 million per vessel based on the latest assumptions and factors from past recycling transactions. This estimate is primarily based on average steel prices and costs associated with scrapping and is reviewed on an annual basis.

Impairment
The key indicator assessment as at year-end 2024 is the development in the market environment for offshore accommodation vessels. There have been signs of improvement during the year, in terms of higher day-rates but they are still not significantly higher than those used in our historical value-in-use calculation. It is anticipated that there will be a higher activity level and improved earnings in 2026, however the visibility remains low beyond 2025 except in the Brazil market. Other external sources also include broker valuations of the accommodation vessels which also do not indicate a significant change from prior periods. On this basis, the Group has not identified indicators of impairment nor impairment reversal and hence no value-in-use calculation was performed. Subsequent to year end, the Group has entered an agreement to sell Safe Concordia after her current charter obligations for USD 5 million before commissions and expenses. As a result, an impairment of USD 8.4 Million is charged to profit or loss in the current year.

Note 9 Other financial items

	2024	2023
Currency gain	1.3	0.0
Total other financial income	**1.3**	**0.0**
Currency loss	0	(1.7)
Refinancing costs	(2.9)	0
Other financial expenses	0	(1.1)
Total other financial expenses	**(2.9)**	**(2.8)**

Note 10 Financial items

	2024			2023		
	Financial assets measured at amortised cost	Financial liabilities measured at amortised cost	Total	Financial assets measured at amortised cost	Financial liabilities measured at amortised cost	Total
Interest income[(a)]	**2.3**	**0.0**	**2.3**	**2.1**	**0.0**	**2.1**
Currency gain[1]	0.0	0.0	1.3	0.0	0.0	0.0
Total other financial income[(b)]	**0.0**	**0.0**	**1.3**	**0.0**	**0.0**	**0.0**
Amortisation of amortised costs		(3.7)	(3.7)		(3.8)	(3.8)
Debts interest expenses		(27.4)	(27.4)		(27.1)	(27.1)
Total interest expenses[(c)]		**(31.1)**	**(31.1)**		**(30.9)**	**(30.9)**
Currency loss[1]		0.0	0.0		0.0	(1.7)
Refinancing costs		(2.9)	(2.9)		0.0	0.0
Other financial expenses		0	0		(1.1)	(1.1)
Total other financial expenses[(d)]		**(2.9)**	**(2.9)**		**(1.1)**	**(2.8)**
Net financial items[(a)+(b)+(c)+(d)]	**2.3**	**(34.0)**	**(30.4)**	**2.1**	**(32.0)**	**(31.6)**

[1] Excluded from the category breakdown but added to the total for net effect.

Note 11 Taxes

Income tax expenses	2024	2023
Taxes in income statement:		
Taxes payable	2.1	2.4
Reversal of provision	0.0	(7.8)
Total taxes in income statement	**2.1**	**(5.4)**
Reconciliation of effective tax rate (IAS 12.81)		
Tax rate in Norway (parent Company tax jurisdiction)	22.0%	22.0%
Loss before taxes	(44.6)	(73.2)
Tax based on applicable tax rate	(9.8)	(16.1)
Tax on income not taxable in determining taxable profit	(0.6)	(1.0)
Tax effect of non-deductible expenses	0.8	0.1
Tax effect due to changes in unrecognised deferred tax assets	9.7	17.0
Over provision in prior year tax	0.0	(7.8)
Effect of tax in other jurisdictions	2.0	2.4
Total taxes in income statement	**2.1**	**(5.4)**

Deferred tax – Specification and movements	2024	2023
Temporary differences:		
Exit from Norwegian tonnage tax system	4.6	5.7
Vessel tax base exceeds net book value	(354.3)	(450.5)
Tax loss carried forward	(1,344.8)	(1,173.7)
Loss account for deferral	(117.4)	(131.1)
Basis for deferred tax	**(1,811.9)**	**(1,749.6)**
Recognised deferred tax asset	**0.0**	**0.0**
Deferred tax liability 1 January and 31 December	0.0	0.0
Tax payable as at 31 December	**7.8**	**10.1**

The corporate tax rate in Norway for 2024 is 22 per cent (2023: 22 per cent).

Deferred income tax assets and liabilities are offset as all the temporary differences are within the Norway tax resident entities that comprise a tax group. Within the tax group there is a legally enforceable right to set off current tax assets against current tax liabilities. There is no expiry date on the temporary differences and tax loss carried forward.

The value of the deferred tax assets is not recognised in the accounts as the probability of having sufficient future taxable profit to utilise the deferred tax assets as tax deductions cannot be established.

The total tax payable in the income statement and as at 31 December resulted from the Group's operations in other parts of the world which were subjected to tax in jurisdictions other than Norway.

The Group operates in several jurisdictions and from time to time there are questions from local tax authorities. In 2023, a tax provision was released after the UK HMRC agreed with the tax filing from 2016, resulting in a tax income. In relation to the historical Concordia contract in Trinidad and Tobago, a remaining tax provision of USD 6 million is provided for as at 31 December 2024.

In 2023, Prosafe and OSM Thome jointly received a tax assessment from the Brazilian Tax Authorities, imposing import taxes and customs penalties related to the challenging of the special customs regime used to import the Safe Concordia for a contract in the period from October 2018 to July 2019. The maximum exposure for Prosafe in this case is estimated to USD 71.9 million. Both Prosafe and OSM Thome have presented an administrative defence, challenging the view of the Brazilian Tax Authorities. Prosafe and OSM Thome received a partially favourable ruling at the first administrative level. Prosafe and OSM Thome have appealed the ruling. Prosafe maintains that the tax inquiry lacks merit; therefore, no provisions have been recognized in the financial statements for 2023 and 2024.

In 2023, the Norwegian tax authorities initiated a review of the basis for a portion of the deferred tax losses. This review may lead to a reduction in the unrecognized deferred tax asset base. Prosafe does not believe that this will have a material impact on the Group's financial position irrespective of the outcome of this review.

Note 12 Earnings per share

Basic earnings per share are calculated by dividing net loss by the weighted average number of ordinary shares outstanding during the year. Diluted earnings per share are calculated by dividing net loss by the weighted average number of ordinary shares plus the number of potential shares relating to share options.

	2024	2023
Net loss	(46.7)	(67.8)
Weighted average number of outstanding shares	17,868,651	11,298,605
Basic earnings per share	(2.61)	(6.00)
Weighted average number of outstanding and potential shares [1, 2]	17,868,651	11,298,605
Diluted earnings per share	(2.61)	(6.00)

[1] In 2024, the weighted average number of outstanding and potential shares includes the average share capital of 17,868,651 (2023: 11,298,605).

[2] There are no share-based compensation that results in a dilutive effect on earnings per share

Note 13 Share capital, shareholder information, and share-based compensation

	2024	2023
Issued and paid up number of ordinary shares at 31 December [1]	17,868,651	17,868,651
Total authorised number of shares at 31 December	**17,868,651**	**17,868,651**
Nominal value at 31 December	EUR 1.25	EUR 1.25
Number of shareholders at 31 December	4,069	4,720

[1] On 10 May 2023, the issue of 2,720,000 ordinary shares at a price per share of NOK 117 for a private shares placement was approved at the annual general meeting. On 16 November 2023, the issue of 5,833,333 ordinary shares at a price per share of NOK 60 for a private shares placement and a subsequent shares offering of 516,619 ordinary shares at a price per share of NOK 60 was approved at the extraordinary general meeting.

Ordinary shares	Number of shares	Par value	Share Premium	Total
In issue as at 1 January 2023	**8,798,699**	**12.4**	**624.2**	**636.6**
Issue of ordinary shares in 2023	9,069,952	12.4	52.0	64.4
Less: Transaction costs arising on share issues in 2023			(1.7)	(1.7)
Balance as at 31 December 2023 and 2024	**17,868,651**	**24.8**	**674.5**	**699.3**

Largest shareholders as at 31 December 2024	No of shares	Percentage
MH Capital AS	1,594,908	8.93%
Alden AS	1,579,083	8.84%
North Sea Strategic Investments AS	1,355,363	7.59%
Morgan Stanley & Co. LLC	1,183,507	6.62%
HV VI Invest Sierra AS	1,116,565	6.25%
Skandinaviska Enskilda Banken AB	727,068	4.07%
UBS AG	571,187	3.20%
Vicama AS	560,030	3.13%
B.O. Steen Shipping AS	500,000	2.80%
CAM AS	457,982	2.56%
Songa Capital AS	404,809	2.27%
Holme Holding AS	270,621	1.51%
Mørck	270,000	1.51%
Westcon Yards AS	263,500	1.47%
Xintec Capital AS	230,000	1.29%
Gross Management AS	228,667	1.28%
BR Industrier AS	223,992	1.25%
Varde Norge AS	193,750	1.08%
Trionfo AS	190,372	1.07%
Dima AS	173,333	0.97%
Total 20 largest shareholders/ groups of shareholders	**12,094,737**	**67.69%**

All ordinary shares rank equally. Holders of these shares are entitled to one vote per share at general meetings of the Company.

Share-based compensation

The share-based compensation expense is recognised over the vesting period for service received in the same period. Share-based compensation in other equity comprises of the cumulative value of services received from the employees from the date of grant. The amount in other equity is retained when the options are exercised or expired. See note 6 for details on share-based compensation.

Note 14 Interest-bearing debt

	2024	2023
Credit facilities – face value	343.1	343.2
Sellers' credits – face value	78.5	84.5
Difference between face value and carrying amount – sellers credit	(6.6)	(9.5)
Lease liabilities	0.9	1.3
Total interest-bearing debt	**415.9**	**419.5**
Non-current interest-bearing debt	67.7	415.5
Current interest-bearing debt	348.2	4.0
Total interest-bearing debt	**415.9**	**419.5**

Reconciliation of movements of interest-bearing debt to cash flows arising from financing activities	2024	2023
Interest-bearing debt at 1 January	**419.5**	**422.2**
Changes from financing cash flows		
– Repayments of interest-bearing debt	(6.5)	(6.4)
– Issuance of ordinary shares	(0.1)	0.0
– Interests paid	(28.1)	(28.0)
– Refinancing costs paid	(1.8)	0.0
Total changes from financing cash flows	**(36.5)**	**(34.4)**
Other liability-changes		
– Refinancing costs	1.8	0.0
– Interests expense	31.1	30.9
– New leases	0.0	0.8
Total liability-related changes	**32.9**	**31.7**
Interest-bearing debt at 31 December	**415.9**	**419.5**

Credit facility

Interest on the USD 250 million and USD 93 million credit facilities is based on USD 3-month LIBOR plus a margin of 2.50 per cent. On 31 March 2023, the transition from USD LIBOR to SOFR took place and the interest for both facilities is now based on SOFR plus margin of 2.76161 per cent. Both credit facilities mature on 31 December 2025. The Group is in discussion with the lenders on the refinancing of both credit facilities. In March 2025, The Group agreed a forbearance with its Lenders postponing interest payments on the USD 250 million and USD 93 million credit facilities until the maturity date on 31 December 2025.

Covenants

Minimum liquidity

The Minimum Liquidity of the Group excludes restricted cash and cash in the New Group. The New Group comprises of Prosafe Offshore Holdings Pte. Ltd., Safe Eurus Singapore Pte. Ltd., Axis Nova Singapore Pte. Ltd. and Axis Vega Singapore Pte. Ltd. The Minimum Liquidity is calculated on each quarter date and the amount does not fall below USD 28 million from and including 1 January 2024 and thereafter. (2023: USD 23 million from and including 1 January 2023 to and including 31 December 2023). As at 31 December 2024, Minimum Liquidity for covenant testing purposes was USD 42.5 million (2023: USD 68.1 million). See note 19 for the cash breakdown. As of March 2025, the Minimum Liquidity covenant was revised to 10 million, pursuant to an agreement with the lenders on that date. A breach of covenant will result in the loans becoming due immediate.

Excess cash sweep

There is an excess cash sweep with testing on 31 December each year. The cash sweep was tested on 31 December 2024 and there was no excess cash sweep on that testing date. The excess cash sweep amount means the amount that is equal to the lowest of the excess cash amount on the relevant testing date and any of the coming four quarter dates (based on the Group's firm liquidity forecast), subject always to a minimum of zero on each of those dates. Excess cash means, the sum of unrestricted cash, less the cash sweep threshold (USD 66 million), less cash interest payable on the next interest payment date and less any new shareholder contributions in the previous 12 months.

Dividend distribution

Dividend distribution is restricted until 3 years elapsed from December 2021 unless share capital has been subsequently increased by an amount at least equal to the distribution and may only be paid with Majority Lender's Approval. Majority Lender's Approval refers to 66 2/3 consent from the lenders of each of the USD 250 million and USD 93 million facilities.

Financial indebtedness

The Group is restricted from incurring new debts unless the outstanding amount does not exceed USD 20 million in aggregate or after obtaining Majority Lender's Approval.

Investment restrictions

The Group is restricted from making any investments unless Majority Lender's Approval is obtained for the transaction or if the investment transaction in target is funded fully through share issuance or cash proceeds from equity offering, the target has positive cash flows after debt service on 24 months forward looking pro-forma basis and does not have any financial indebtedness. The Majority Lender's Approval is required for the delivery of Safe Nova or Safe Vega Vessel and any amendment to the existing Safe Nova and Safe Vega construction contracts, see also note 22.

Sellers' credits

COSCO (Qidong) Offshore Co. Ltd. (Cosco) granted a sellers' credit of USD 99.4 million on the final delivery instalment of the Safe Eurus in 2019. The Group is paying Cosco the minimum instalments under the Safe Eurus sellers' credit. As at 31 December 2024, USD 78.5 million (2023: USD 84.5 million) gross was outstanding.

Difference between face value and carrying amount – Sellers Credits

In 2019, Prosafe took delivery of Safe Eurus and issued a promissory note with a principal amount of USD 99.4 million to COSCO Shipping (Qidong) Offshore Co. Ltd. As the partial payment for the vessel was deferred beyond normal credit terms, the cost of the vessel was the cash price equivalent at the recognition date. The Safe Eurus promissory note was initially recognised at fair value and subsequently measured at amortised cost. The fair value of the below-market loan was measured as the present value of the expected future cash flows, discounted using an appropriate market related rate. The initial applicable discounting rate was similar to the rate charged by the credit facilities lenders of 3-months USD Libor plus 3.35 per cent per annum in 2019. The difference between the cash price equivalent and the principal amount of the promissory note was determined to be USD 25.4 million. This amount will be recognised as interest over the period of credit. The repayment schedule and interest expense on the promissory note depends on the financial performance of the vessel. In 2022, management revised the repayment schedule and interest expense on the promissory note based on the updated financial performance of the vessel. The revised expected maturity date is August 2028. Subsequent to the revision in estimates of payment, a fair value decrease of USD 1.2 million was recognised in the carrying amount of Safe Eurus.

Note 15 Other current liabilities

	2024	2023
Accrued costs	18.7	22.5
Contract liabilities	10.3	0.9
Total interest-free current liabilities	**29.0**	**23.4**

Note 16 Mortgages and guarantees

As at 31 December 2024, the Group's interest-bearing debt secured by mortgages totaled USD 343.1 million (2023: USD 343.2 million). The debt was secured by mortgages on the accommodation/units for maintenance and safety vessels Safe Caledonia, Safe Concordia, Safe Scandinavia, Safe Boreas, Safe Zephyrus and Safe Notos with net carrying value of USD 262.2 million as at 31 December 2024 (2023: USD 285.8 million). Negative pledge clauses apply on shares in the vessel owning subsidiaries. Earnings accounts are pledged as security for the credit facilities, but cash will only be restricted if a continuing event of default occurs and the lenders have notified Prosafe of such.

As at 31 December 2024, the Group had issued parent company guarantees to clients on behalf of its subsidiaries in connection with the award and performance of contracts and Cosco (Qidong) Co., Ltd with respect to Safe Eurus sellers credit of approximately USD 57 million and USD 60 million (2023: approximately USD 44 million and USD 60 million) respectively. The amounts specified with regard to parent company guarantees reflect the sum of the estimated capped liability under the relevant agreements.

Note 17 Financial assets and liabilities

As at 31 December 2024, the Group had financial assets and liabilities in the following categories:

Year ended 31 December 2024	Financial assets measured at amortised cost	Financial liabilities measured at amortised cost	Carrying value	Fair value
Cash and cash equivalents	46.8		46.8	46.8
Accounts receivable	21.6		21.6	21.6
Other current assets	4.2		4.2	4.2
Total financial assets	**72.6**		**72.6**	**72.6**
Interest-bearing debt [1]		415.9	415.9	415.9
Accounts payable		1.6	1.6	1.6
Other current liabilities		18.7	18.7	18.7
Other non-current liabilities		1.6	1.6	1.6
Total financial liabilities		**437.8**	**437.8**	**437.8**

[1] Refer to note 14 for details on interest-bearing debt.

Management assessed the cash and cash equivalents, accounts receivables, other current assets, accounts payable and other current liabilities to approximate their carrying amounts largely due to the short-term maturities of these instruments.

As at 31 December 2023, the Group had financial assets and liabilities in the following categories:

Year ended 31 December 2023	Financial assets measured at amortised cost	Financial liabilities measured at amortised cost	Carrying value	Fair value
Cash and cash equivalents	74.6		74.6	74.6
Accounts receivable	14.6		14.6	14.6
Other current assets	3.8		3.8	3.8
Total financial assets	**93.0**		**93.0**	**93.0**
Interest-bearing debt[1]		419.5	419.5	419.5
Accounts payable		4.1	4.1	4.1
Other current liabilities		23.4	23.4	23.4
Other non-current liabilities		1.8	1.8	1.8
Total financial liabilities		**448.8**	**448.8**	**448.8**

[1] Refer to note 14 for details on interest-bearing debt.

Management assessed the cash and cash equivalents, accounts receivables, other current assets, accounts payable and other current liabilities to approximate their carrying amounts largely due to the short-term maturities of these instruments.

Note 18 Financial risks

The Group operates on a global basis with cash flows and financing in various currencies. This means that the Group is exposed to market risks related to fluctuations in exchange rates and interest rates. The Group's presentation currency is USD, and financial risk exposure is managed with financial instruments in accordance with internal policies and standards approved by the Board of Directors. After restructuring in 2021, there are no credit lines available for hedging of financial risks and consequently such risks have remained unhedged since 2021.

Currency risk

The Group is exposed to currencies other than USD associated with operating expenditure, capital expenditure, tax, cash and cash equivalents. Unless denominated in USD, operating expenditure, capital expenditure and tax are mainly denominated in GBP, BRL, AUD, SGD, EUR and NOK. Cash and equivalents are mainly denominated in USD, GBP, BRL, AUD, SGD, EUR and NOK.

Currency risk – sensitivity

The sensitivity analysis is based on a reasonably possible change in the relevant exchange rates and reflects the main effects on profit or loss and equity assuming that the change had occurred at the balance sheet date. A 5 per cent strengthening/weakening of the USD against GBP, BRL, AUD, SGD, EUR and NOK will have the following effects. Exposures to foreign currency changes for all other currencies are not material.

Pre-tax effects on income statement	2024	2023
Re-valuation cash and deposits		
USD +5%	(0.7)	(0.4)
USD -5%	0.7	0.4

Interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is that the fair value of a financial instrument will fluctuate due to changes in market interest rates. The Group's interest rate risks arise primarily from its variable rate credit facilities. The Group evaluates the hedge profile in relation to the repayment schedule of its loans. After the restructuring in 2021, there are no credit lines available for hedging of financial risks. The Group has not entered into arrangements to hedge the floating interest rate since 2021.

Interest rate risk – sensitivity

The sensitivity analysis is based on a reasonably possible change in the relevant interest rate and reflects the main effects on profit or loss and equity assuming that the change had occurred at the balance sheet date. A ±50bps change in interest rate will have the following effects.

Pre-tax effects on income statement	2024	2023
Interest expense on credit facilities		
50 bps increase	1.7	1.7
50 bps decrease	(1.7)	(1.7)

Credit risk

In line with industry practice, other contracts normally contain clauses which give the customer an opportunity for early cancellation under specified conditions. Providing the Group has not acted negligently, however, the effect on results in such cases will normally be wholly or partly offset by a financial settlement in the Group's favour.

Credit assessment of financial institutions issuing guarantees in favour of the Group, yards, sub-contractors and equipment suppliers is part of the Group's project evaluations and risk analyses. The counterparty risk is in general limited when it comes to the Group's clients, since these are typically major oil companies and national oil companies.

As at 31 December 2024, the Group held cash and deposits of USD 46.8 million (2023: USD 74.6 million) with banks with high credit-ratings assigned by international credit-rating agencies. The cash balances are measured on 12-month expected credit losses and subject to immaterial credit loss.

For trade receivables, the Group applies the simplified method of credit reserves, i.e. the reserve will correspond to the expected loss over the whole life of the trade receivable. In order to measure the credit losses, trade receivables are grouped based on credit risk characteristics of its customers. The Group applies forward-looking variables for expected credit losses. As at 31 December 2024 and 31 December 2023, no credit reserve has been recorded as the Group's clients are typically major oil companies and national oil companies and the receivables are usually received within 3 months. Based on the Group's assessment, the expected credit loss is not material.

Accounts receivables	Total	Not due	< 30 days
31 December 2024	21.6	20.8	0.8
31 December 2023	14.6	14.6	0.0

Liquidity risk

Prosafe manages liquidity and funding on a group level. Prosafe is exposed to liquidity risk, which is the risk that Prosafe will not be able to meet obligations of financial liabilities when they become due. Liquidity risk sources include but are not limited to contract cancellations, customers not paying charter rate under contracts and low demand for accommodation vessels in the future. The Group monitors the liquidity development and the risk of insufficient capital by rolling cash flow forecasts. Prosafe maintains an active overview of and relation with debt markets and lenders as well as the equity market to secure access to capital markets if and when needed.

As at 31 December 2024, liquidity for covenant testing purposes was USD 40.6 million. Under the existing credit facility agreements, the Group is required to maintain a minimum liquidity of USD 28 million from 1 January 2024 and thereafter. In March 2025, it was agreed in conjunction with the granting of a waiver and forbearance of interest that the minimum liquidity covenant shall be reduced to USD 10m during the period of waiver and forbearance which is expected to be in place until the successful completion of the Transaction announced on 24 April 2025. Please see note 23 Events after the reporting date, section refinancing for the status on the refinancing.

As at 31 December 2024, the Group's main financial liabilities had the following remaining contractual maturities:

Per year	2025	2026	2027	2028
Interest-bearing debt (repayments)[1]	349.9	7.4	7.1	58.0
Interests[2]	24.8	1.4	1.3	0.6
Taxes	7.8	0.0	0.0	0.0
Accounts payable and other current liabilities	27.5	0.0	0.0	0.0
Total	**410.0**	**8.8**	**8.4**	**58.6**

[1] Interest-bearing debt includes lease liabilities, credit facilities and sellers credit from Cosco. The credit facilities mature on 31 December 2025. Assuming only the firm contracts, there will be no cash sweep under the credit facilities prior to maturity. The Group is paying the minimum instalments agreed with Cosco under the Safe Eurus sellers credit which matures in 2028.

[2] Interest on lease liabilities, credit facilities and seller credits. Based on current agreed credit margin plus SOFR forward curve as at 31 December 2024, and the expected cash flows under the sellers credit terms.

As at 31 December 2023, the Group's main financial liabilities had the following remaining contractual maturities:

Per year	2024	2025	2026	2027	2028
Interest-bearing debt (repayments)[1]	6.6	349.9	7.2	7.0	58.0
Interests[2]	28.9	29.7	1.4	1.2	0.7
Taxes	10.1	0.0	0.0	0.0	0.0
Accounts payable and other current liabilities	27.5	0.0	0.0	0.0	0.0
Total	**73.1**	**379.6**	**8.6**	**8.2**	**58.7**

[1] Interest-bearing debt includes lease liabilities, credit facilities and sellers credit from Cosco. The credit facilities mature on 31 December 2025. Assuming only the firm contracts, there will be no cash sweep under the credit facilities prior to maturity. The Group is paying the minimum instalments agreed with Cosco under the Safe Eurus sellers credit which matures in 2028.

[2] Interest on lease liabilities, credit facilities and seller credits. Based on current agreed credit margin plus SOFR forward curve as at 31 December 2023, and the expected cash flows under the sellers credit terms.

Capital management

The primary objective of the Group's capital management is to ensure that it maintains a healthy capital structure in line with economic conditions. The Group manages the total of shareholders' equity and long-term debt as their capital. Normally the Group's main tool to assess its capital structure is the leverage ratio, which is calculated by dividing net interest-bearing debt including bank guarantees, by Group gross profit before depreciation and impairment over the last 12 months.

Note 19 Cash and cash equivalents

	2024	2023
Restricted cash deposits	2.0	2.2
Cash held in New Group	2.3	4.3
Free cash and short-term deposits	42.5	68.1
Total cash and cash equivalents	**46.8**	**74.6**

See note 14 for details on financial covenants relating to cash and cash equivalents

Note 20 Other current assets

	2024	2023
Other receivables	4.0	3.1
Prepayments	3.6	2.7
Contract assets	0.7	6.5
Other current assets	0.2	0.7
Total other current assets	**8.5**	**13.0**

Note 21 Related party disclosures

The financial statements comprise the parent Company, Prosafe SE, and the subsidiaries listed below.

Company name	Country of incorporation	Ownership	Voting share
Prosafe Services Maritimos Ltda	Brazil	100%	100%
Prosafe Offshore BV	Netherlands	100%	100%
Prosafe AS	Norway	100%	100%
Axis Nova Singapore Pte. Ltd.	Singapore	100%	100%
Axis Vega Singapore Pte. Ltd.	Singapore	100%	100%
Prosafe Offshore Holdings Pte. Ltd.	Singapore	100%	100%
Prosafe Offshore Pte. Ltd.	Singapore	100%	100%
Prosafe Rigs Pte. Ltd.	Singapore	100%	100%
Safe Eurus Singapore Pte. Ltd.	Singapore	100%	100%
Prosafe Offshore Ltd.	United Kingdom	100%	100%
Prosafe Rigs Ltd. [1]	United Kingdom	100%	100%

[1] Under liquidation

Transactions and outstanding balances within the Group have been eliminated in full.

Shares and share options owned by directors and senior executive management as at 31 December 2024:
(includes shares owned by close family/relatives and wholly-owned companies)

	Shares	Share options
Directors		
Glen Ole Rødland	228,667	100,000
Birgit Aagaard-Svendsen	3	25,000
Nina Udnes Tronstad	7,667	25,000
Halvard Idland	0	25,000
Senior executive management		
Terje Askvig	25,000	220,000
Reese McNeel	2,000	120,000
Ryan Stewart	73	100,000

Note 22 Capital commitments

New builds
As at 31 December 2024, the Group had two (2023: two) undelivered new builds residing at Cosco's Qidong shipyard in China; Safe Nova and Safe Vega.

As part of refinancing negotiations in 2018 with COSCO, the Group negotiated and agreed with COSCO for the deferred delivery and financing of Safe Nova and Safe Vega. Prosafe has not requested delivery. The Group remain in dialogue with COSCO regarding potential delivery of the vessels in the future.

Note 23 Events after the reporting date

Contract extension
In January 2025, Safe Zephyrus had its contract with Petrobras extended by 954 days to September 2027, adding USD 109.7 million to the firm backlog.

Sale of Safe Concordia
In February 2025, the Group, through its wholly-owned subsidiary, entered into a binding agreement to sell the vessel Safe Concordia to an undisclosed third party for a total consideration of USD 5 million, prior to deduction of commissions and transaction-related expenses. The transaction was completed in March 2025, following the vessel's fulfillment of its remaining charter obligations.

The sale of Safe Concordia resulted in an impairment charge, which has been recognized in the consolidated financial statements. Further details regarding the impairment assessment and its financial impact are disclosed in Note 8 to the consolidated financial statements.

ESG
On 26 February, the European Commission announced their Omnibus proposal to reduce and simplify the ESG reporting. The proposal also opened for companies that was to report for the year 2025 to postpone their reporting with two years.

Sale of Safe Scandinavia
In March 2025, the Group, through its subsidiary, entered into an agreement to sell Safe Scandinavia for recycling.

The transaction was completed in April 2025. The vessel is expected to be delivered to the buyer in May 2025. The sale of Safe Scandinavia is not expected to have a material impact on the profit and loss for the financial year ending 31 December 2025.

Recapitalisation
On 24 April, Prosafe announce that it has agreed the terms of a recapitalisation (the "Transaction") with lenders representing the Company's USD 250 million loan facility and its USD 93 million loan facility (the "Existing Facilities"), subject to final approvals being obtained by all lenders. The Transaction is also supported by shareholders representing 54% of the shares in the Company.

The Transaction involves the equitisation of USD 193 million of the Existing Facilities in return for 90% of the shares in Prosafe post Transaction. Existing shareholders will initially hold 5% of the shares in the Company and will be offered an additional 5% of shares in the form of penny warrants (at EUR 0.01 per share).

The Transaction also includes a reinstatement of the Existing Facilities and new money financing on the following basis (together, the "New Facility"):

a. a super senior secured facility of USD 150 million, comprising (i) USD 75 million by way of new money injections, backstopped by an ad hoc group of creditors, and (ii) USD 75 million of elevated and reinstated debt under the Existing Facilities, each maturing 31 December 2029 (or, subject to certain conditions, the date on which the Eurus Seller's Credit falls due); and
b. a reinstated senior secured facility comprised of USD 75 million of reinstated debt maturing 31 December 2029 (or, subject to certain conditions, the date on which the Eurus Seller's Credit falls due).

The post Transaction shareholdings above are calculated based on an assumption of full exercise of shareholder warrants, but before any new management incentive program which may be established post Transaction.

The Transaction shall include the following features (among other things):

a. the establishment of a new Norwegian domiciled holding company, shares of which will be charged to lenders under the New Facility, to be interposed between the Company and certain of its subsidiaries;
b. no fixed amortisation in respect of the New Facility, which shall be repayable in full at maturity;
c. a fee (the “Fee”) shall be payable to the lenders of the super senior secured facility of USD 5 million at maturity; and
d. interest of SOFR + margin (sized to 11% per annum) on the New Facility, payable in cash. The senior secured facility will include the ability for the Company to pay 2% cash interest and 9% PIK interest as an alternative to 11% full cash interest subject to certain conditions.

The Transaction will provide the Company with a sustainable capital structure and sufficient liquidity to meet its capital expenditure and working capital needs for the foreseeable future. Total gross debt post the Transaction will be approximately USD 306 million, consisting of a USD 155 million super senior facility (including the Fee), a USD 75m senior facility and the USD 75.5 million remaining Cosco Seller's Credit for Safe Eurus. Total net debt post the Transaction will be approximately USD 220 million, with unrestricted liquidity (after transaction costs) of approximately USD 80 million.

Transaction completion is subject to agreeing customary documentation with lenders and shareholders, final lender approvals and formal shareholder approvals (including approval at an extraordinary general meeting of the Company's shareholders).

The Company has been granted a waiver from its lenders under the existing USD 250 million loan facility and a forbearance from its lenders under the existing USD 93 million loan facility until 31 July 2025, in both cases with respect to interest payments. The minimum liquidity covenant under the respective facilities has also been reduced to USD 10m.

The Company aims to conclude the Transaction by Q3 2025. The Company will make further announcements as and when there are further developments regarding implementation of the Transaction. Notice to convene an extraordinary general meeting of the Company's shareholders to approve the Transaction was issued 25 April 2025.

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Statement of profit or loss

(USD 1,000)	Note	2024	2023
Other operating revenues	2	0	2,000
Other operating expenses	2	(7,068)	(5,346)
Income from investments in subsidiaries		2,760	7,550
Impairment of shares in subsidiaries	6	(12,900)	(36,097)
Results from operating activities		**(17,208)**	**(31,893)**
Interest income	4	12,118	10,707
Interest expenses	4	(27,318)	(27,054)
Other financial expenses	3	(13,333)	(10,171)
Net financial items	4	**(28,533)**	**(26,518)**
Loss before taxes		**(45,741)**	**(58,411)**
Taxes	5	(8)	(96)
Net loss		**(45,749)**	**(58,507)**
Attributable to equity holders of the company		**(45,749)**	**(58,507)**

Statement of comprehensive income

(USD 1,000)	2024	2023
Net loss	**(45,749)**	**(58,507)**
Other comprehensive loss that will not be reclassified to profit or loss in subsequent periods		
Pension remeasurement	(138)	(112)
Total comprehensive loss for the year, net of tax	**(45,887)**	**(58,619)**
Attributable to equity holders of the company	**(45,887)**	**(58,619)**

Statement of changes in equity

(USD 1,000)	Note	Share capital	Share premium	Share capital reduction reserve	Retained earnings	Share-based compensation reserve	Total equity
Equity at 31 December 2022		**12,438**	**624,154**	**71,846**	**(709,258)**	**886**	**66**
Net loss		0	0	0	(58,507)	0	(58,507)
Other comprehensive loss		0	0	0	(112)	0	(112)
Total comprehensive loss[1]		**0**	**0**	**0**	**(58,619)**	**0**	**(58,619)**
Issue of ordinary shares	8	12,334	50,324	0	0	0	62,658
Share-based payments		0	0	0	0	374	374
Equity at 31 December 2023		**24,772**	**674,478**	**71,846**	**(767,877)**	**1,260**	**4,479**
Net loss		0	0	0	(45,749)	0	(45,749)
Other comprehensive loss		0	0	0	(138)	0	(138)
Total comprehensive loss[1]		**0**	**0**	**0**	**(45,887)**	**0**	**(45,887)**
Issue of ordinary shares	8	0	(5)	0	0	0	(5)
Share-based payments		0	0	0	0	1,009	1,009
Equity at 31 December 2024		**24,772**	**674,473**	**71,846**	**(813,764)**	**2,269**	**(40,404)**

[1] Total comprehensive loss is attributable to the owners of the Company

Nature and purpose of reserves

Share premium: The difference between the issue price of the shares and their nominal value.

Statement of financial position

(USD 1,000)	Note	2024	2023
Assets			
Shares in subsidiaries	6	259,963	272,863
Intra-group receivables	11, 13	23,294	18,294
Total non-current assets		**283,257**	**291,157**
Cash and cash equivalents	13	14,693	32,840
Other current assets	7, 11, 13	8,592	26,229
Total current assets		**23,285**	**59,069**
Total assets		**306,542**	**350,226**
Equity and liabilities			
Share capital		24,772	24,772
Share premium reserve		674,473	674,478
Share capital reduction reserve		71,846	71,846
Total paid-in equity	8	**771,091**	**771,096**
Retained earnings		**(813,764)**	**(767,877)**
Share-based payments reserve		**2,269**	**1,260**
Total equity		**(40,404)**	**4,478**
Interest-bearing long-term debt	9, 13, 14	0	343,000
Interest-free long-term liabilities	13	1,564	1,776
Total long-term liabilities		**1,564**	**344,776**
Interest-bearing current debt	9, 13	343,133	228
Accounts payable	13, 14	0	82
Other interest-free current liabilities	10, 13, 14	2,249	661
Total current liabilities		**345,382**	**971**
Total equity and liabilities		**306,542**	**350,226**

On 30 April 2025, the Board of Directors of Prosafe SE approved and authorised these financial statements for issue.

Glen Ole Rødland
Chair

Birgit Aagaard-Svendsen
Non-executive Director

Nina Udnes Tronstad
Non-executive Director

Halvard Idland
Non-executive Director

Terje Askvig
Chief Executive Officer

Statement of cash flows

(USD 1,000)	Note	2024	2023
Cash flow from operating activities			
Loss before taxes		(45,741)	(58,411)
Expected credit loss, net		10,339	9,832
Impairment shares in subsidiaries		12,900	36,097
Interest income		(12,118)	(10,707)
Interest expenses		27,318	27,054
Share-based payment expense		1,009	(95)
Change in working capital		1,386	(342)
Taxes paid		(8)	(96)
Other items from (used in) operating activities		1,452	(213)
Net cash flow (used in) from operating activities		**(3,463)**	**3,120**

(USD 1,000)	Note	2024	2023
Cash flow from investing activities			
Reduction of shares in subsidiary		0	37
Change in intra-group balances		13,776	(25,847)
Interest received		760	875
Net cash flow from (used in) investing activities		**14,536**	**(24,935)**
Cash flow from financing activities			
Issuance of ordinary shares		(5)	62,750
Refinancing costs		(1,802)	0
Interest paid		(27,413)	(28,003)
Net cash flow (used in) from financing activities		**(29,220)**	**34,747**
Net cash flow		**(18,147)**	**12,931**
Cash and cash equivalents at 1 January		32,840	19,909
Cash and cash equivalents at 31 December	13	**14,693**	**32,840**

Notes to the financial statements

All figures in USD 1,000 unless otherwise stated.

Note 1 Accounting policies

The financial statements have been prepared in accordance with the IFRS® Accounting Standards endorsed by the European Union and effective as of 31 December 2024 and the requirements of the Norwegian Accounting Act. The accounting policies applied to the consolidated financial statements have also been applied to the parent company, Prosafe SE. The accounting policies adopted are consistent with those in the previous financial years. The parent company financial statements should be read in conjunction with the consolidated financial statements. The notes of the consolidated financial statements provide additional information to the parent company's financial statements which is not presented here separately. The Company's functional currency is US dollars (USD), and the financial statements are presented in USD. Investments in subsidiaries are measured at historic cost, unless there is any indication of impairment. In case of impairment, an investment is written down to recoverable amount.

On 24 April, Prosafe announce that it has agreed the terms of a recapitalisation (the "Transaction") with lenders representing the Company's USD 250 million loan facility and its USD 93 million loan facility (the "Existing Facilities"), subject to final approvals being obtained by all lenders. The Transaction is also supported by shareholders representing 54% of the shares in the Company.

The Transaction involves the equitisation of USD 193 million of the Existing Facilities in return for 90% of the shares in Prosafe post Transaction. Existing shareholders will initially hold 5% of the shares in the Company and will be offered an additional 5% of shares in the form of penny warrants (at EUR 0.01 per share).

The Transaction also includes a reinstatement of the Existing Facilities and new money financing on the following basis (together, the "New Facility"):

- a super senior secured facility of USD 150 million, comprising (i) USD 75 million by way of new money injections, backstopped by an ad hoc group of creditors, and (ii) USD 75 million of elevated and reinstated debt under the Existing Facilities, each maturing 31 December 2029 (or, subject to certain conditions, the date on which the Eurus Seller's Credit falls due); and
- a reinstated senior secured facility comprised of USD 75 million of reinstated debt maturing 31 December 2029 (or, subject to certain conditions, the date on which the Eurus Seller's Credit falls due).

The post Transaction shareholdings above are calculated based on an assumption of full exercise of shareholder warrants, but before any new management incentive program which may be established post Transaction.

The Transaction shall include the following features (among other things):

- the establishment of a new Norwegian domiciled holding company, shares of which will be charged to lenders under the New Facility, to be interposed between the Company and certain of its subsidiaries;
- no fixed amortisation in respect of the New Facility, which shall be repayable in full at maturity;
- a fee (the "Fee") shall be payable to the lenders of the super senior secured facility of USD 5 million at maturity; and
- interest of SOFR + margin (sized to 11% per annum) on the New Facility, payable in cash. The senior secured facility will include the ability for the Company to pay 2% cash interest and 9% PIK interest as an alternative to 11% full cash interest subject to certain conditions.

The Transaction will provide the Company with a sustainable capital structure and sufficient liquidity to meet its capital expenditure and working capital needs for the foreseeable future. Total gross debt post the Transaction will be approximately USD 306 million, consisting of a USD 155 million super senior facility (including the Fee), a USD 75m senior facility and the USD 75.5 million remaining Cosco Seller's Credit for Safe Eurus. Total net debt post the Transaction will be approximately USD 220 million, with unrestricted liquidity (after transaction costs) of approximately USD 80 million.

Transaction completion is subject to agreeing customary documentation with lenders and shareholders, final lender approvals and formal shareholder approvals (including approval at an extraordinary general meeting of the Company's shareholders).

The Company has been granted a waiver from its lenders under the existing USD 250 million loan facility and a forbearance from its lenders under the existing USD 93 million loan facility until 31 July 2025, in both cases with respect to interest payments. The minimum liquidity covenant under the respective facilities has also been reduced to USD 10m.

The Company aims to conclude the Transaction by Q3 2025. The Company will make further announcements as and when there are further developments regarding implementation of the Transaction. Notice to convene an extraordinary general meeting of the Company's shareholders to approve the Transaction was issued 25 April 2025.

The Company aims to conclude the Transaction by Q3 2025. The Company will make further announcements as and when there are further developments regarding implementation of the Transaction. Notice to convene an extraordinary general meeting of the Company's shareholders to approve the Transaction was issued 25 April 2025. The pending approval imposes a material uncertainty related to going concern for the Company. The Board and management view that achieving a long-term sustainable financial structure is realistic and have therefore prepared the annual report on a going concern basis.

Note 2 Other operating revenues and expenses

Other operating revenues	2024	2023
Customer deposit fee forfeiture	0	2,000

Operating expenses	2024	2023
Services from subsidiaries	2,800	2,400
Directors' fees	373	489
Salaries and bonus	1,470	709
Other staff benefits	41	55
Share-based payment expense [1, 2]	669	(95)
Payroll taxes	312	106
Pension expenses	41	1
Auditors' audit fees	138	139
Legal and consultancy fees	373	342
Taxation fees	87	101
Stock exchange fees	93	102
Office insurance	378	308
Recruitment costs	0	172
Commission fee for customer deposit forfeiture	0	200
Other operating expenses	293	317
Total operating expenses	**7,068**	**5,346**

1 See note 6 of the consolidated financial statements for details

2 Share-based compensation expense was an income in 2023 due to cancellation of options granted to the former CEO

Board of Directors	2024	2023
Glen Ole Rødland (Chair)	107	112
Alf C. Thorkildsen (Deputy Chair)(until October 2023)	0	75
Gunnar Winther Eliassen (Deputy Chair) (from February 2024–December 2024)	65	0
Birgit Aagaard-Svendsen	81	100
Nina Udnes Tronstad	71	84
Halvard Idland[1]	74	77
Simen Flaaten (from June 2023 to February 2024)	11	41
Total Board remuneration[2]	**409**	**489**

[1] Director from May 2022, Deputy Director from June 2023–November 2023 and Director from November 2023

[2] If applicable, figures include compensation from the audit committee and compensation committee, travel allowances and share options expense. In 2024, the Board of Directors fees are reduced in lieu of share options awarded. See note 6 of the consolidated financial statements for details on the share options

Number of employees

The average number of employees in the Company for 2024 was 2 (2023: 2).

Note 3 Other financial items

	2024	2023
Currency loss	(56)	(17)
Expected credit loss[1]	(10,339)	(9,832)
Other financial expenses[2]	(2,938)	(322)
Total other financial expenses	**(13,333)**	**(10,171)**

[1] For further information, see note 11 relating to allowance of expected credit loss of receivables from subsidiaries

[2] In 2024, the other financial expenses largely relates to the refinancing costs for the credit facilities

Note 4 Financial items

Year ended 31 December 2024	Financial assets measured at amortised cost	Financial liabilities measured at amortised cost	Total
Interest income[(a)]	**12,118**	**0**	**12,118**
Interest expenses	0	(27,318)	(27,318)
Total interest expenses[(b)]	**0**	**(27,318)**	**(27,318)**
Expected credit loss	(10,339)	0	(10,339)
Other financial expenses[1]	0	0	(2,938)
Currency loss[1]	0	0	(56)
Total other financial expenses[(c)]	**(10,339)**	**0**	**(13,333)**
Net financial items[(a)+(b)+(c)]	**1,779**	**(27,318)**	**(28,533)**

[1] Excluded from the category breakdown but added to the total for net effect

Year ended 31 December 2023	Financial assets measured at amortised cost	Financial liabilities measured at amortised cost	Total
Interest income [(a)]	**10,707**	**0**	**10,707**
Interest expenses	0	(27,054)	(27,054)
Total interest expenses [(b)]	**0**	**(27,054)**	**(27,054)**
Expected credit loss	(9,832)	0	(9,832)
Other financial expenses[1]	0	0	(322)
Currency loss[1]	0	0	(17)
Total other financial expenses [(c)]	**(9,832)**	**0**	**(10,171)**
Net financial items [(a)+(b)+(c)]	**875**	**(27,054)**	**(26,518)**

[1] Excluded from the category breakdown but added to the total for net effect

Note 5 Taxes

	2024	2023
Taxes	8	96
Total taxes in income statement	**8**	**96**
Temporary differences:		
Loss carried forward	(428,259)	(421,136)
Basis for deferred tax liability (+)/benefit (-)	**(428,259)**	**(421,136)**
Deferred tax liability (+)/benefit (-)	**(94,217)**	**(92,650)**
Not recognised tax benefits	**94,217**	**92,650**
Recognised deferred tax benefit	**0**	**0**
Taxes payable at 31 December	**0**	**0**

The corporate tax rate in Norway for 2024 was 22 per cent (2023: 22 per cent).

The value of the deferred tax assets is not recognised in the financial statements as the probability of having sufficient future taxable profit to utilise the deferred tax assets as tax deductions cannot be established.

Reconciliation of effective tax rate (IAS 12.81)	2024	2023
Tax rate	22.0%	22.0%
Loss before taxes	(45,741)	(58,411)
Tax based on applicable tax rate	(10,063)	(12,850)
Tax effect of non-deductible expenses	5,906	10,175
Tax on income not taxable in determining taxable profit	(607)	(1,011)
Tax effect due to unrecognised deferred tax assets	4,764	3,686
Effect of tax in other jurisdictions	8	96
Tax charge	**8**	**96**

Note 6 Shares in subsidiaries

(Carrying value and total equity in 1,000)

Companies	2024 Ownership & Voting	Number of shares	Investment carrying value at 31 December 2024	Total Equity at 31 December 2024	Investment carrying value at 31 December 2023
Prosafe AS [1]	100%	100	1,000	4,778	1,000
Prosafe Offshore Pte. Ltd [3]	100%	646,050,000	7,441	11,674	7,441
Prosafe Rigs Pte. Ltd. [3]	100%	2,821,040,000	251,122	249,182	264,022
Prosafe Offshore Holdings Pte. Ltd. [3]	100%	25,599,000	400	974	400
Prosafe Offshore Ltd [2]	100%	2	0	16,768	0
Prosafe Rigs Ltd [2, 4]	100%	2	0	43	0
Total			**259,963**		**272,863**

The registered addresses of the subsidiaries are as follows:

[1] Forusparken 2, N-4031 Stavanger, Norway

[2] 1st Floor, 10 Temple Back Bristol BS1 6FL, United Kingdom

[3] 1 International Business Park, #09-03 The Synergy, Singapore 609917

[4] Under liquidation

Based on management's assessment of impairment indicators, there were triggers which indicated that the expected recoverable amount was less than the investment carrying value of the following subsidiaries. The expected recoverable amount was estimated based on the fair value of the subsidiaries. In 2024, the impairment of Safe Concordia and the idle of two vessels during the year has decreased the fair value of the Company's shares. As a result, the following impairment charges/(reversal) were made:

	2024	2023
Prosafe Rigs Pte. Ltd. [1]	12,900	36,100
Prosafe (UK) Holdings Limited	0	(3)
Total	**12,900**	**36,097**

[1] Under liquidation

Note 7 Other current assets

	2024	2023
Current receivables due from subsidiaries	8,015	25,878
Prepayments	379	273
Other current assets	198	78
Total other current assets	**8,592**	**26,229**

Note 8 Share capital, convertible bonds, warrants and share-based compensation reserves

	2024	2023
Issued and paid up number of ordinary shares at 31 December	17,868,651	17,868,651
Total authorised number of shares at 31 December	**17,868,651**	**17,868,651**
Nominal value at 31 December	EUR 1.25	EUR 1.25
Number of shareholders at 31 December	4,069	4,720

Movement of Ordinary shares	2024	2023
In issue at 1 January	17,868,651	8,798,699
New ordinary shares issued during the year	0	9,069,952
In issue at 31 December fully paid up	17,868,651	17,868,651

On 10 May 2023, the issue of 2,720,000 ordinary shares at a price per share of NOK 117 for a private shares placement was approved at the annual general meeting. On 16 November 2023, the issue of 5,833,333 ordinary shares at a price per share of NOK 60 for a private shares placement and a subsequent shares offering of 516,619 ordinary shares at a price per share of NOK 60 was approved at the extraordinary general meeting.

All ordinary shares rank equally. Holders of these shares are entitled to one vote per share at general meetings of the Company.

See note 13 of the consolidated financial statements for the largest shareholdings listing.

Share-based compensation reserve

Share-based compensation reserve comprises the cumulative value of services received from employees recorded on grant of equity-settled share options. The expense for service received is recognised over the vesting period. The amount in the share-based compensation reserve is retained when the options are exercised or expire. See note 6 of the consolidated financial statements for details.

Note 9 Interest-bearing debt

	2024	2023
Credit facilities – face value	343,133	343,228
Total interest-bearing debt	**343,133**	**343,228**
Current interest-bearing debt	343,133	228
Non current interest-bearing debt	0	343,000
Total interest-bearing debt	**343,133**	**343,228**

Reconciliation of movements of interest-bearing debt to cash flows arising from financing activities:

	2024	2023
At 1 January	**343,228**	**344,177**
Changes from financing cash flows		
– Interest paid	(27,413)	(28,003)
– Refinancing costs paid	(1,802)	0
Total changes from financing cash flows	**(29,215)**	**(28,003)**
Other liability-changes		
– Refinancing costs	1,802	0
– Interest expenses	27,318	27,054
Total liability-related changes	**29,120**	**27,054**
At 31 December	**343,133**	**343,228**

Note 10 Other interest-free current liabilities

	2024	2023
Other current liabilities	2,249	661
Total other interest-free current liabilities	**2,249**	**661**

Note 11 Intra-group balances

Year-end long-term balances	2024	2023
USD loan due from Safe Eurus Singapore Pte. Ltd.	155,490	140,151
Less: Allowance for credit loss	(132,196)	(121,857)
Intra-group long-term receivables	**23,294**	**18,294**

Intra-group long-term loan receivable is based on market prices using 3M LIBOR/SOFR (USD loan) interest rates plus a margin of 3.66–3.96 per cent (2023: 3.4–3.96 per cent) per annum. With effective 1 April 2023, LIBOR was replaced with SOFR interest rates. Outstanding balances at year-end are unsecured, and settlement normally occurs in cash or via share capital injection. A portion of long term loan receivables, which is fully impaired, is due end of 2025, the amount is not reclassified as current as the amount is expected to roll over when due.

The Company has assessed the recoverability of its long-term loan receivables and has an allowance for accumulated credit loss of USD 132,196,000 (2023: USD 121,857,000) based on assessments of their projected future cashflows.

Year-end current balances	2024	2023
USD loan receivables due from Prosafe AS	6,019	0
Amount due from Prosafe AS	0	12,847
Amount due to Prosafe AS	(1,075)	0
Net receivables from Prosafe AS	**4,944**	**12,847**
Current receivables due from other subsidiaries	3,071	13,031

USD loan receivable due from Prosafe AS is based on market prices using 3M SOFR interest rates plus a margin of 3.75 per cent. The loan is unsecured, receivables on demand and is usually settled with the amount due to Prosafe AS in the subsequent month. The remaining receivables from other subsidiaries are interest free, unsecured and receivables on demand in 2024 and 2023.

Transactions with related parties	2024	2023
Transactions		
Administrative expenses with subsidiaries	(2,800)	(2,400)
Interest income due from subsidiaries	11,358	9,832
Dividends due from subsidiaries	2,760	7,550

Prosafe AS are performing services on behalf of the Company relating to management, corporate activities, investor relations, financing and insurance. The services are invoiced on a quarterly basis and paid on market terms. Please refer to note 6 to the consolidated financial statements for disclosure of remuneration to Directors.

Note 12 Mortgages and guarantees

As at 31 December 2024, the Company's interest-bearing debt secured by mortgages totalled USD 343.1 million (2023: USD 343.2 million). The debt was secured by mortgages on the accommodation/units for maintenance and safety vessels Safe Caledonia, Safe Concordia, Safe Scandinavia, Safe Boreas, Safe Zephyrus and Safe Notos with net carrying value USD 262.2 million as at 31 December 2024 (2023: USD 285.8 million). Negative pledge clauses apply on shares in the vessel owning subsidiaries. Earnings accounts are pledged as security for the credit facilities, but cash will only be restricted if a continuing event of default occurs and the lenders have notified Prosafe of such.

As at 31 December 2024, the Company had issued parent company guarantees to clients on behalf of its subsidiaries in connection with the award and performance of contracts and Cosco (Qidong) Co., Ltd with respect to Safe Eurus of approximately USD 30 million and USD 60 million (2023: approximately USD 30 million and USD 60 million) respectively. The amounts specified with regard to parent company guarantees reflect the sum of the estimated capped liability under the relevant agreements.

Note 13 Financial assets and liabilities

Year ended 31 December 2024	Financial assets measured at amortised cost	Financial liabilities measured at amortised cost	Carrying value
Intra-group long-term receivables	23,294	0	23,294
Cash and cash equivalents [1]	14,693	0	14,693
Current receivables due from subsidiaries	8,015	0	8,015
Other current assets	198	0	198
Total financial assets	**46,200**	**0**	**46,200**
Interest-bearing debt [2]		343,133	343,133
Interest-free long-term liabilities		1,564	1,564
Other interest free current liabilities		2,249	2,249
Total financial liabilities		**346,946**	**346,946**

1 Included in cash and deposits were USD 1.7 million of restricted cash deposits

2 Refer to note 14 of the consolidated financial statements for details on fair value of the interest-bearing debt

Year ended 31 December 2023	Financial assets measured at amortised cost	Financial liabilities measured at amortised cost	Carrying value
Intra-group long-term receivables	18,294	0	18,294
Cash and cash equivalents [1]	32,840	0	32,840
Current receivables due from subsidiaries	25,878	0	25,878
Other current assets	78	0	78
Total financial assets	**77,090**	**0**	**77,090**
Interest-bearing debt [2]		343,228	343,228
Accounts payable		82	82
Interest-free long-term liabilities		1,776	1,776
Other interest free current liabilities		661	661
Total financial liabilities		**345,747**	**345,747**

1 Included in cash and deposits were USD 1.9 million of restricted cash deposits

2 Refer to note 14 of the consolidated financial statements for details on fair value of the interest-bearing debt

Note 14 Maturity profile liabilities

Year ended 31 December 2024	2025	2026 onwards
Interest-bearing debt (repayments)[1]	343,000	0
Interests on interest bearing debts	23,643	0
Other interest-free current liabilities	2,249	0
Total	**368,892**	**0**

[1] The interest-bearing debt matures on 31 Dec 2025 and the company is discussing with the lenders on refinancing.

Year ended 31 December 2023	2024	2025	2026 onwards
Interest-bearing debt (repayments)[1]	0	343,000	0
Interests on interest bearing debts	25,706	21,266	0
Accounts payable	82	0	0
Other interest-free current liabilities	661	0	0
Total	**26,449**	**364,266**	**0**

[1] The interest-bearing debt matures on 31 Dec 2025.

Note 15 Financial risks

Interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is that the fair value of a financial instrument will fluctuate due to changes in market interest rates. The Company's interest rate risks arise primarily from its variable rate credit facilities and loan due from Prosafe AS. As at 31 December 2024 and 31 December 2023, the Company has not entered into arrangements to hedge the floating interest rate.

The Company evaluates the hedge profile in relation to the repayment schedule of its loans. After restructuring in 2021, there are no credit lines available for hedging of financial risks and consequently such risks remained unhedged in 2023 and 2024.

Interest rate risk – sensitivity

The sensitivity analysis is based on a reasonably possible change in the relevant interest rate and reflects the main effects on profit or loss and equity assuming that the change had occurred at the balance sheet date. A ±50bps change in interest rate will have the following effects. There is no profit or loss effect on the USD Loan due from Safe Eurus Singapore Pte Ltd as the interest income receivable is fully impaired.

Pre-tax effects on income statement	2024	2023
US SOFR +50bps		
Interest expense on credit facilities	1,715	1715
Interest income on loan due from Prosafe AS	(25)	0
Total	**1,690**	**1,715**
US SOFR -50bps		
Interest expense on credit facilities	(1,715)	(1,715)
Interest income on loan due from Prosafe AS	25	0
Total	**(1,690)**	**(1,715)**

Currency risk

The Company's operating expenses are primarily denominated in NOK, and the operating result is therefore exposed to currency risk relating to fluctuations in the NOK exchange rates versus the USD. The Company is exposed to currencies other than USD with interest-bearing long term liabilities (denominated in NOK) , cash and cash equivalents (denominated in GBP and NOK).

Currency risk – sensitivity

The sensitivity analysis is based on a reasonably possible change in the relevant exchange rates and reflects the main effects on profit or loss and equity assuming that the change had occurred at the balance sheet date. A 5 per cent strengthening/weakening of the USD against NOK and GBP will have the following effects. Exposures to foreign currency changes for all other currencies are not material.

Pre-tax effects on income statement	2024	2023
USD +5%		
Re-valuation cash and cash equivalents and long term liabilities	(62)	(138)
Total	**(62)**	**(138)**
USD -5%		
Re-valuation cash and cash equivalents and long term liabilities	62	138
Total	**62**	**138**

Credit risk

The Company is exposed to credit risk in relation to the inter-company loan and receivables from subsidiaries. See note 11 for details about the intra-group balances.

Liquidity risk

The Company is exposed to liquidity risk in a scenario when the Company's cash flow from operations is insufficient to cover payments of financial liabilities. The Company manages liquidity and funding on a group level. In order to mitigate the liquidity risk, the Group monitors the liquidity development and the risk of insufficient capital by rolling cash flow forecasts to determine whether the Group's liquidity position is above the minimum cash covenant as per the loan agreements. The Company currently is in discussion with the lenders for debts for equity conversion and/or equity injection. The Board of Directors and management are of the view that recapitalisation could be completed by Q3 2025.

Capital management

The primary objective of the Company's capital management is to ensure that it maintains a healthy capital structure in line with economic conditions. This is managed on a group level as disclosed in note 18 of the consolidated financial statements.

Note 16 Events after the reporting period

Recapitalisation

On 24 April, Prosafe announce that it has agreed the terms of a recapitalisation (the "Transaction") with lenders representing the Company's USD 250 million loan facility and its USD 93 million loan facility (the "Existing Facilities"), subject to final approvals being obtained by all lenders. The Transaction is also supported by shareholders representing 54% of the shares in the Company.

The Transaction involves the equitisation of USD 193 million of the Existing Facilities in return for 90% of the shares in Prosafe post Transaction. Existing shareholders will initially hold 5% of the shares in the Company and will be offered an additional 5% of shares in the form of penny warrants (at EUR 0.01 per share).

The Transaction also includes a reinstatement of the Existing Facilities and new money financing on the following basis (together, the "New Facility"):

a. a super senior secured facility of USD 150 million, comprising (i) USD 75 million by way of new money injections, backstopped by an ad hoc group of creditors, and (ii) USD 75 million of elevated and reinstated debt under the Existing Facilities, each maturing 31 December 2029 (or, subject to certain conditions, the date on which the Eurus Seller's Credit falls due); and
b. a reinstated senior secured facility comprised of USD 75 million of reinstated debt maturing 31 December 2029 (or, subject to certain conditions, the date on which the Eurus Seller's Credit falls due).

The post Transaction shareholdings above are calculated based on an assumption of full exercise of shareholder warrants, but before any new management incentive program which may be established post Transaction.

The Transaction shall include the following features (among other things):

a. the establishment of a new Norwegian domiciled holding company, shares of which will be charged to lenders under the New Facility, to be interposed between the Company and certain of its subsidiaries;
b. no fixed amortisation in respect of the New Facility, which shall be repayable in full at maturity;
c. a fee (the "Fee") shall be payable to the lenders of the super senior secured facility of USD 5 million at maturity; and
d. interest of SOFR + margin (sized to 11% per annum) on the New Facility, payable in cash. The senior secured facility will include the ability for the Company to pay 2% cash interest and 9% PIK interest as an alternative to 11% full cash interest subject to certain conditions.

The Transaction will provide the Company with a sustainable capital structure and sufficient liquidity to meet its capital expenditure and working capital needs for the foreseeable future. Total gross debt post the Transaction will be approximately USD 306 million, consisting of a USD 155 million super senior facility (including the Fee), a USD 75m senior facility and the USD 75.5 million remaining Cosco Seller's Credit for Safe Eurus. Total net debt post the Transaction will be approximately USD 220 million, with unrestricted liquidity (after transaction costs) of approximately USD 80 million.

Transaction completion is subject to agreeing customary documentation with lenders and shareholders, final lender approvals and formal shareholder approvals (including approval at an extraordinary general meeting of the Company's shareholders).

The Company has been granted a waiver from its lenders under the existing USD 250 million loan facility and a forbearance from its lenders under the existing USD 93 million loan facility until 31 July 2025, in both cases with respect to interest payments. The minimum liquidity covenant under the respective facilities has also been reduced to USD 10m.

The Company aims to conclude the Transaction by Q3 2025. The Company will make further announcements as and when there are further developments regarding implementation of the Transaction. Notice to convene an extraordinary general meeting of the Company's shareholders to approve the Transaction was issued 25 April 2025.

Declaration by the Board of Directors and Chief Executive Officer

The Board of Directors and the Chief Executive Officer have today considered and approved the annual report and financial statements for the Prosafe Group and its parent company, Prosafe SE, for the 2024 calendar year ended on 31 December 2024.

This declaration is based on reports and representations from the Chief Executive Officer and Chief Financial Officer, the Group's financial and operational performance, and other material information provided to the Board of Directors for the purpose of assessing the position of the parent company and the Group as a whole.

To the best of our knowledge:

The 2024 financial statements for the parent company and the Group have been prepared in accordance with all applicable accounting standards.

The information provided in the financial statements gives a true and fair portrayal of the parent company's and the Group's assets, liabilities, financial position and results taken as a whole as at 31 December 2024.

The Board of directors' report for the parent company and the Group provides a true and fair overview of the development, performance, outlook and financial position of the parent company and the Group taken as a whole, and the most significant risks and uncertainties facing the parent company and the Group.

On 30 April 2025, the Board of Directors of Prosafe SE approved and authorised these financial statements for issue.

Glen Ole Rødland
Non-executive Chair

Birgit Aagaard-Svendsen
Non-executive Director

Nina Udnes Tronstad
Non-executive Director

Halvard Idland
Non-executive Director

Terje Askvig
Chief Executive Officer

To the General Meeting of Prosafe SE

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Prosafe SE, which comprise:

- the financial statements of the parent company Prosafe SE (the Company), which comprise the statement of financial position as at 31 December 2024, the statement of profit or loss, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, and
- the consolidated financial statements of Prosafe SE and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2024, the consolidated statement of profit or loss, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU.

Our opinion is consistent with our additional report to the Audit Committee.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

To the best of our knowledge and belief, no prohibited non-audit services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided.

We have been the auditor of Prosafe SE for 6 years from the election by the general meeting of the shareholders on 8 May 2019 for the accounting year 2019.

Material Uncertainty Related to Going Concern

We draw attention to Note 2 in the consolidated financial statements and note 1 of the financial statements of the parent company, which indicates that, as of 31 December 2024, the Company forecasts a potential breach of the minimum cash covenant in 2025. As stated in these notes, Prosafe announced an agreement with a group of lenders for the refinancing of two secured debt facilities, in addition to securing additional liquidity through a new debt. The proposed agreement is pending approval from the Extraordinary General Meeting, which indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Valuation of accommodation vessel fleet and possible reversal of impairment

Reference is made to Note 2 Statement of Compliance and basis of preparation paragraph "Impairment / Reversal of impairment of non-financial assets" and Note 8 Property, plant and equipment.

The Key Audit Matter

The Group's fleet of accommodation vessels have a book value of USD 356.5 million and represents a significant portion of total assets. The Group recorded significant impairment charges in previous years, including both in 2019 and 2020. All the vessels owned by the Group are previously impaired in accordance with IAS 36.

The Group regularly reviews whether there are any indicators of impairment and impairment reversal and tests the individual assets for impairment (reversal) if an indicator is identified.

The Group has 5 vessels on fixed contracts with backlog extending into 2027. Based on the Group's prediction of client activity levels in key markets, the Group expects an increase in demand for 2025 and beyond. The Group is optimizing the fleet with recent sale of legacy vessels.

Assessing whether an indicator for impairment (reversal) exists, involves significant judgment from management, as to whether significant changes have occurred in the market for accommodation vessels, which could significantly impact the expected future cash flow from the asset. This judgement includes assessing observable changes in day rates and the likelihood of redeployment of the vessel to new contracts either from lay-up or when the current contract period expires. This uncertainty is mainly applicable to those vessels that are nearing the end of the fixed contract period and those that are currently not on contract.

The judgments described above have a direct impact on the valuation of the Company's significant investment in subsidiaries and the expected credit loss on receivables from subsidiaries.

For all vessels in the Group's fleet per 31 December 2024, a qualitative assessment of impairment (reversal) indicators did not require further quantitative impairment testing, except for Safe Concordia for which an agreement to sell the vessel was signed in February 2025. As a result, an impairment of USD 8.4 million was recognized.

How the matter was addressed in our audit

We obtained an understanding of the process for identifying impairment (reversal) indicators. We evaluated whether all vessels in the fleet were identified by management and assessed for impairment (reversal) indicators. For each vessel we assessed the key considerations applied by management in the impairment (reversal) trigger assessment. For those vessels where an error could result in a material misstatement and where management did not identify an impairment (reversal) trigger, we assessed the appropriateness and reliability of qualitative factors and challenged management considering:

- utilisation levels for the fleet in 2024
- status of tender activity
- supply-side constraints and market expectations in the short and medium term

We inspected external information sources, comparing to management updates and communication with the Board of Directors of the Group to assess the consistency of the current year increase in activity for the sector.

We assessed the impact on impairment (reversal) for shares in subsidiaries and of expected credit loss for receivables from subsidiaries, considering the vessel indicators assessments as well as the net assets of the subsidiaries.

We assessed the adequacy of disclosure related to impairment indicators.

Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report and the other information accompanying the financial statements. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report nor the other information accompanying the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report and the other information accompanying the financial statements. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the other information accompanying the financial statements and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report and the other information accompanying the financial statements otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report or the other information accompanying the financial statements. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Our opinion on the Board of Directors' report applies correspondingly to the statement on Corporate Governance.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group 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 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. We 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 and the Group'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 and the Group'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 and the Group 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 a true and fair view.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Report on Compliance with Requirement on European Single Electronic Format (ESEF)

Opinion

As part of the audit of the financial statements of Prosafe SE, we have performed an assurance engagement to obtain reasonable assurance about whether the financial statements included in the annual report, with the file name 2138001LK2Z2HSER4U15-2024-12-31-0-en, have been prepared, in all material respects, in compliance with the requirements of the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) and regulation pursuant to Section 5-5 of the Norwegian Securities Trading Act, which includes requirements related to the preparation of the annual report in XHTML format, and iXBRL tagging of the consolidated financial statements.

In our opinion, the financial statements, included in the annual report, have been prepared, in all material respects, in compliance with the ESEF regulation.

Management's Responsibilities

Management is responsible for the preparation of the annual report in compliance with the ESEF regulation. This responsibility comprises an adequate process and such internal control as management determines is necessary.

Auditor's Responsibilities

Our responsibility, based on audit evidence obtained, is to express an opinion on whether, in all material respects, the financial statements included in the annual report have been prepared in compliance with ESEF. We conduct our work in compliance with the International Standard for Assurance Engagements (ISAE) 3000 – "Assurance engagements other than audits or reviews of historical financial information". The standard requires us to plan and perform procedures to obtain reasonable assurance about whether the financial statements included in the annual report have been prepared in compliance with the ESEF Regulation.

As part of our work, we have performed procedures to obtain an understanding of the Company's processes for preparing the financial statements in compliance with the ESEF Regulation. We examine whether the financial statements are presented in XHTML-format. We evaluate the completeness and accuracy of the iXBRL tagging of the consolidated financial statements and assess management's use of judgement. Our procedures include reconciliation of the iXBRL tagged data with the audited financial statements in human-readable format. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Oslo, 30 April 2025
KPMG AS

Anfinn Fardal
State Authorised Public Accountant

(This document is signed electronically)

Abbreviations

Abbreviation	Definition
AGM	Annual general meeting
BPS	Basis points
BRL	Brazilian reals
CCO	Chief commercial officer
CEO	Chief executive officer
CFO	Chief financial officer
CGU	Cash generating unit
Contract backlog	The Company's fair estimation of revenue in firm contracts and exercised optional periods for own fleet
Contractors	Third party vendors
CSR	Corporate Social Responsibility
CSRD	Corporate Sustainability Reporting Directive
DP	Dynamic positioning
EBIT	Earnings before interest and tax. Equal to operating profit
EBITDA	Earnings before interest, tax, depreciation and amortisation
EGM	Extra ordinary general meeting
EUR	Euro
EPS	Earnings per share
ESG	Environment, Social and Governance
FPSO	Floating production storage and offloading
GDPR	General Data Protection Regulation
GHG	Greenhouse Gas Emissions
GHG emissions – scope 1	Direct GHG emissions from operations that are owned and/or controlled by the Company
GHG emissions – scope 2	Indirect GHG emissions from energy purchased from third parties for e.g. heating or cooling and consumed within the Company
GHG emissions – scope 3	All other indirect GHG emissions from activities of the Company occurring from sources that the company does not own or control, i.e. business travel, procurement, waste and water
GBP	British pound
GRI	Global Reporting Initiative
Hazardous waste	Waste is considered to be hazardous waste according to the regulations under which the activity operates or where the waste can pose a substantial hazard to human health and/or the environment when improperly managed
HSSE	Health, safety, security and environment
HSSEQ	Health, safety, security, environment and quality
IAS	International accounting standard
IFRS	International financial reporting standards
IMO	International Maritime Organisation
ISO	International Standards Organisation
KPI	Key Performance Indicator
LIBOR	London interbank offered rate
LTI	Lost Time Injury, which means the employee was absent from the next work shift because of the injury
LTI frequency (LTIF)	The Lost Time Injury (LTIF) frequency is calculated by multiplying the number of LTIs by 1 million and dividing this by the total number of man-hours worked
Marine crew	Includes employees and temporary agency personnel. Contractors (third party vendors) are not included
MARPOL	The International Convention for the Prevention of Pollution from Ships
NCS	Norwegian Continental Shelf
NIBD	Net interest-bearing debt
Net interest-bearing debt	Non-current interest-bearing borrowings plus current interest-bearing borrowings less cash and cash equivalents.
NOK	Norwegian krone
NWC	Net working capital
Net working capital	Net working capital is equal to (Total current assets excl. cash – Total current liabilities excl. Tax payable and current portion long-term debt)
OSEBX	Oslo Stock Exchange main index
SASB	Sustainability Accounting Standards Board
SDG	The United Nations' Sustainable Development Goals
SE	European company/ Societas Europaea
Sickness absence	The total number of sickness absence hours as a percentage of planned working hours (Prosafe employees)
SOFR	Secured overnight financing rate
SPS	Special periodic survey
TCFD	Task Force for Climate-related Financial Disclosures
TLP	Tension Leg Platform
TRIF	Total recordable injury frequency. Number of fatal accidents, lost-time injuries, injuries involving substitute work and medical treatment injuries per million hours worked
TSV	Tender support vessel
UMS	Unit for maintenance and safety
USD	United states dollar
VPS	Norwegian Central Securities Depository

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