Unaudited Consolidated Interim Financial Report

for Q3 2025 and nine months ended 30 September 2025

Telford Finco

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Note 1 General information

Telford Finco (the "Group") is an owner and operator of a fleet of DP3 multipurpose support vessels (MPSV's) providing Accommodation, Construction and Pipelay services to the offshore oil & gas Industry.

The registered office of Telford Finco (the "Company") is c/o Appleby Global Services (Cayman) Limited, 71 Fort Street, PO Box 500, Grand Cayman, KYl-1006, Cayman Islands. Head office for the Group is located at Office 3001 Jumeirah Business Centre 5, Jumeirah Lake Towers, Dubai, United Arab Emirates.

The comparative information for the unaudited condensed consolidated interim statement of financial position is based on the audited financial statements as at 31 December 2024. The comparative information for the unaudited condensed consolidated interim statements of comprehensive income, changes in equity, cash flows, and other explanatory notes is the nine months period ended 30 September 2024, which has neither been audited nor reviewed as the Group did not prepare consolidated condensed interim financial statements for the same period.

Note 2 Summary of material accounting policy information

The accounting policies adopted are consistent with those followed in preparation of the Group's audited annual consolidated financial statements for the period ended 31 December 2024, except for the adoption of new and amended IFRS Accounting Standards as set out below.

(a) New and amended IFRS Accounting Standards adopted by the Group

The Group has applied the following amendments for the first time from 1 January 2025:

- Amendments to IAS 21 – Lack of Exchangeability

These amendments are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

(b) Impact of IFRS Accounting Standards issued but not yet applied by the Group.

Certain new accounting standards and interpretations have been published that are not mandatory for periods commencing 1 January 2025 reporting periods and have not been early adopted by the Group. These standards, amendments or interpretations are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

Seasonality of operations
Results for the nine months period ended 30 September 2025 are not necessarily indicative of results that may be expected for the full financial year ending 31 December 2025. The nature of the Group's business is such that the income and expenditure are incurred in a manner which is not generally impacted by any forms of seasonality.

Note 3 Basis of preparation

This unaudited consolidated interim financial report does not include all the notes normally included in the annual consolidated financial statements and should be read in conjunction with the annual consolidated financial statements for the year ended 31 December 2024.

Unaudited condensed consolidated interim statement of financial position

USD 000s'	Note	Balance at 30 September 2025 (unaudited)	Balance at 31 December 2024 (audited)
ASSETS			
Non-current assets			
Property, plant, and equipment	*5*	185,869	199,153
Intangible assets		51	18
Right-of-use assets	*6a*	32,022	214
Financial assets at fair value through profit or loss	*6a*	1,228	-
Total non-current assets		**219,170**	**199,385**
Current assets			
Inventories		1,561	1,664
Trade receivables		36,838	20,591
Other current assets		8,084	9,929
Unbilled revenue and other receivables		22,600	12,315
Cash at bank – restricted	*7*	18,565	9,675
Cash and cash equivalents	*7*	22,600	30,463
Total current assets		**110,248**	**84,637**
TOTAL ASSETS		**329,418**	**284,022**
EQUITY AND LIABILITIES			
EQUITY			
Share capital		-	-
Additional capital contribution		101,008	101,008
Accumulated losses		(54,812)	(65,295)
Total Equity		**46,196**	**35,713**
LIABILITIES			
Non-current liabilities			
Borrowing	*8, 9*	151,360	163,548
Lease liabilities	*6b*	21,147	-
Super senior working capital revolving facility	*9*	10,284	-
Provision for employees' end-of-service benefits		690	571
Provision for decommissioning obligations	*6a*	2,825	-
Total non-current liabilities		**186,306**	**164,119**
Current liabilities			
Trade and other payables		47,195	43,041
Borrowing	*8*	34,238	32,755
Due to a related party	*13*	5,717	7,488
Lease liabilities	*6b*	8,072	147
Income tax liabilities	*14*	1,694	759
Total current liabilities		**96,916**	**84,190**
Total liabilities		**283,222**	**248,309**
TOTAL EQUITY AND LIABILITIES		**329,418**	**284,022**

Unaudited condensed consolidated interim statement of comprehensive income

USD 000s'	Note	3 months ended 30 September 2025 (unaudited)	9 months ended 30 September 2025 (unaudited)	9 months ended 30 September 2024 (unaudited)
Revenue	*4,10,11*	50,994	138,235	98,692
Cost of sales	*4,11*	(31,292)	(88,846)	(53,888)
Gross profit	*11*	**19,702**	**49,389**	**44,804**
General and administrative expenses	*4*	(5,960)	(13,093)	(14,586)
Operating profit	*4*	**13,742**	**36,296**	**30,218**
Finance income	*12*	63	69	256
Finance costs	*12*	(7,528)	(21,538)	(652)
Finance costs – net	*12*	**(7,465)**	**(21,469)**	**(396)**
Profit before income taxes		**6,277**	**14,827**	**29,822**
Income tax expense		(3,584)	(5,706)	(1,818)
Profit for the period		**2,693**	**9,121**	**28,004**
Other comprehensive income		-	-	-
Total comprehensives income for the period		**2,693**	**9,121**	**28,004**

Unaudited condensed consolidated interim statement of changes in equity

USD 000s’	Share Capital[1]	Additional capital contributed	Accumulated losses	Total
Balance at 1 January 2024	-	321,008	(90,947)	230,061
Total comprehensive income for the period	-	-	28,004	28,004
As at 30 September 2024 (unaudited)	**-**	**321,008**	**(62,943)**	**258,065**
As at 1 January 2025	**-**	**101,008**	**(65,295)**	**35,713**
Share-based payment	-	-	1,362	1,362
Total comprehensive income for the period	-	-	9,121	9,121
As at 30 September 2025 (unaudited)	**-**	**101,008**	**(54,812)**	**46,196**

[1] Allotted, issued and unpaid share capital of 1 ordinary share of USD 1 each.

Unaudited condensed consolidated interim statement of cash flows

USD 000s'	Note	3 months ended 30 September 2025 (unaudited)	9 months ended 30 September 2025 (unaudited)	9 months ended 30 September 2024 (unaudited)
Cash flows from operating activities				
Profit before income taxes		**6,277**	**14,827**	**29,822**
Adjustments to reconcile profit before income taxes to net cash provided by operating activities:				
Depreciation of property, plant and equipment	*5*	12,815	36,708	28,142
Depreciation of right-of-use assets	*6a*	2,465	4,715	150
Amortisation charge on intangible assets	*5*	3	7	71
Employees end-of-service charge		59	175	160
Borrowing cost	*8*	5,894	18,708	-
Interest on super senior working capital revolving facility	*9*	284	284	-
Interest expense on lease liability	*12*	720	1,552	38
Share-based payments		454	1,362	-
Decommissioning expense	*6a*	(73)	(2,825)	-
Finance income	*12*	(63)	(69)	(256)
Operating profit before working capital changes		**28,835**	**75,444**	**58,127**
Decrease in inventories		-	103	307
(Increase) in trade receivables		(7,227)	(16,215)	(31,766)
(Increase) in other current assets		(3,832)	1,845	(9,190)
(Increase) in unbilled revenue and other receivables		(327)	(10,285)	(4,641)
(Decrease) in amounts due to related party		(226)	(1,771)	-
(Decrease)/Increase in trade and other payables		(5,593)	4,154	(670)
Cash generated from operating activities		**11,630**	**53,275**	**12,167**
Income tax paid		(1,899)	(4,771)	(996)
Finance income received	*12*	63	69	256
Employees' end-of-service benefits paid		(22)	(55)	(111)
Net cash generated from operating activities		**9,772**	**48,518**	**11,316**
Cash flows from investing activities				
Payment for property, plant and equipment		(1,808)	(23,465)	(33,582)
Net cash used in investing activities		**(1,808)**	**(23,465)**	**(33,582)**
Cash flows from financing activities				
Movement in restricted bank account	*7*	(13,861)	(8,890)	-
Payment of bond borrowing cost		(216)	(388)	-
Proceeds from super senior working capital revolving facility	*9*	10,000	10,000	-
Repayment of bond borrowing	*8*	-	(29,025)	-
Re-measurement of lease liability		(23)	76	
Payment of long term lease deposit	*6a*	-	(1,228)	-
Payment of lease liabilities	*6b*	(2,499)	(3,461)	(247)
Net cash used in financing activities		**(6,599)**	**(32,916)**	**(247)**
Net decrease in cash and cash equivalents		**1,365**	**(7,863)**	**(22,513)**
Cash and cash equivalents at the beginning of the period	*7*	21,235	30,463	38,333
Cash and cash equivalents as at end of the period	*7*	**22,600**	**22,600**	**15,820**

Note 4 Operating results

USD 000s'	3 months ended 30 September 2025 (unaudited)	9 months ended 30 September 2025 (unaudited)	9 months ended 30 September 2024 (unaudited)
Revenue	50,994	138,235	98,692
Cost of sales	(31,292)	(88,846)	(53,888)
General and administrative expenses	(5,960)	(13,093)	(14,586)
Operating profit	**13,742**	**36,296**	**30,218**
Add back: finance charges included in SG&A	69	180	70
Add back: depreciation (COS)	15,081	41,242	28,068
Add back: depreciation (SG&A)	202	188	295
EBITDA	**29,094**	**77,906**	**58,651**
Add back/(Less): non-recurring Items	-	(1,376)	-
Add back: non-cash Items	454	1,362	-
Adjusted EBITDA[1]	**29,548**	**77,892**	**58,651**

1) Adjusted EBITDA represents operating profit after adding back depreciation and amortisation, impairment charges and any other non-recurring and/or non-cash items. This measure provides additional information in assessing the Group's underlying performance that management is more directly able to influence in the short term and on a basis comparable between each reporting period.

Non-cash items added back to EBITDA in the three months ended 30 September 2025 and the nine months ended 30 September 2025 relate to the recordable expense associated with the share-based payment (Management Incentive Plan – MIP) scheme, which was introduced by MAM Telford Holdings Limited (the "Parent Company") for the eligible employees of the Group. Further disclosures surrounding this scheme can be found in the 2024 Telford Finco Consolidated Financial Statements. The corresponding credit has been recognised within "Accumulated losses" in the statement of changes in equity.

Reported gains deducted from EBITDA in the nine months ended 30 September 2025 arose from concurrent arbitration proceedings (relating to a legacy 2023 charter contract) where the case concluded in Q2 2025 and results in an estimated net gain to date of USD 1.3 million, after adjusting for provisions. Enforcement proceedings for the award in our favour have commenced and the award against the Group was settled in full during August.

Note 5 Property, plant, and equipment (including intangible assets)

USD 000s'	Balance at 30 September 2025 (unaudited)	Balance at 31 December 2024 (audited)
Opening balance acquisition cost	431,279	384,786
Fleet additions	30,820	40,636
Other assets additions	34	83
Capital work in progress movements	(7,389)	5,774
Closing balance acquisition cost	**454,744**	**431,279**
Opening balance depreciation	232,108	190,567
Depreciation charge for the period/year	36,715	41,541
Closing balance depreciation	**268,823**	**232,108**
Opening net book value	**199,171**	**194,219**
Closing net book value	**185,920**	**199,171**

Additions during the nine month period ended 30 September 2025 include USD 14.0 million relating to costs associated with the 5-year special survey programme and USD 9.4 million for vessel upgrades across the fleet.

The carrying value of the fleet amounting to USD 184.4 million (2024: USD 190.3 million) consists of five Dynamic Positioning (DP3) vessels owned by the Group, being Telford 25, Telford 28, Telford 30, Telford 31 and Telford 34.

All vessels, including the equipment therein, serve as collateral against the bonds issued by the Group in November 2024.

Note 6a Right-of-use assets

USD 000s'	Balance at 30 September 2025 (unaudited)	Balance at 31 December 2024 (audited)
Acquisition Cost:		
Opening balance	859	758
Additions	36,681	101
Disposal	(815)	-
Acquisition cost closing balance	**36,725**	**859**
Accumulated depreciation and impairment:		
Opening balance	645	459
Depreciation charge for the period/year	4,715	186
Disposal	(657)	-
Accumulated depreciation and impairment closing Balance	**4,703**	**645**
Opening net book value	**214**	**299**
Closing net book value	**32,022**	**214**

The Group has leases for its head office and various regional office premises, with lease terms ranging from two to five years. In addition, the Group leases the Telford 33 vessel which is for a fixed period but has extension options which could be used to maximise operational flexibility. All extension and termination options held are exercisable only by the Group and not the respective lessors. Lease liabilities are disclosed within Note 6b 'Lease liabilities'.

In connection with T33 lease, the Group has recognised a financial asset representing the deposits paid to the Lessor at the commencement of the lease. These deposits will be returned at the end of the contract and have therefore been classified as a financial asset at amortised cost. In addition, a decommissioning liability has been recognised for the estimated costs associated with the vessel's redelivery obligations at the end of the lease term, consistent with the requirements of IAS 37 – Provisions, Contingent Liabilities and Contingent Assets.

Note 6b Lease liabilities

USD 000s'	Balance at 30 September 2025 (unaudited)	Balance at 31 December 2024 (audited)
Within one year	10,899	157
Years two to five inclusive	23,885	-
After 5 years	-	-
Total undiscounted lease liabilities	**34,784**	**157**
Effect of discounting	(5,565)	(10)
Discounted lease liabilities	**29,219**	**147**
Consisting of:		
Non-current	21,147	-
Current	8,072	147
Total discounted lease liabilities	**29,219**	**147**

Payments related to lease liabilities disclosed within the unaudited condensed consolidated interim statement of cash flows for the nine month period ended 30 September 2025 totalled USD 3.5 million (30 September 2024: USD 0.1m).

Note 7 Cash and cash equivalents

USD 000s'	Balance at 30 September 2025 (unaudited)	Balance at 31 December 2024 (audited)
Unrestricted Cash	22,600	30,463
Restricted Cash	18,565	9,675
Total	**41,165**	**40,138**

As per the bond agreement, under which the Group has raised funds from the bond market, the Group is required to maintain a Debt Service Retention Account (DSRA), a bank account established jointly with the Bond Trustee. Each month, the Group must transfer an amount equal to one-sixth of the interest, principal, and call premium payable on the upcoming bond repayment date.

The movement in DSRA account during the nine months ended 30 September 2025 was an increase of USD 9.0 million.

Note 8 Borrowing

USD 000s'	Balance at 30 September 2025 (unaudited)	Balance at 31 December 2024 (audited)
Balance at beginning of the period	196,303	-
Bonds issued	-	200,000
Interest accrued	18,708	3,769
Less: Repayment of bond borrowing	(29,025)	-
Less: Initial borrowing cost	-	(7,466)
Less: Additional borrowing cost	(388)	-
Closing	**185,598**	**196,303**

The Group issued 11% senior secured bonds amounting to USD 200 million under a bond agreement dated 4 November 2024, with Nordic Trustee as the Bond Trustee. The bonds were issued at a 2% discount and are repayable semi-annually over five years in instalments, with a 3% premium on repayment. The net proceeds from the issuance were allocated toward an initial distribution to shareholders and the Group's general corporate purposes.

The Group incurred total borrowing costs related to the discount on bond and legal fees, amounting to USD 7.9 million. The effective interest rate (EIR) on the bond borrowing as at 30 September 2025 is 13.06%.

Bond repayment

As per the bond agreement, the Group may redeem bonds before maturity as follows:

Early redemption options	Repayment value
Before May 2027	A price equal to Make Whole Amount
Between May 2027 to Nov 2027	105.50% of par value
Between Nov 2027 to May 2028	104.40% of par value
Between May 2028 to Nov 2028	103.30% of par value
Between Nov 2028 to Maturity	103.00% of par value

As of 30 September 2025, the Management estimates that the bond will be repaid on maturity date, i.e. will not take the route of early redemption option.

Therefore, the undiscounted cash outflows, based on the fixed amortisation element of the bonds, are as follows:

All amounts in USD millions	Principal	Interest amount	Call premium	Total
2025	35.0	21.2	1.0	57.2
2026	35.0	17.5	1.0	53.6
2027	25.0	13.9	0.8	39.7
2028	25.0	11.1	0.8	36.8
2029	80.0	8.9	2.5	91.4
	200.0	**72.6**	**6.1**	**278.7**

Financial covenants

The Group is required to comply with the following financial covenants at each test date:

1. Cash and cash equivalents of at least USD 15 million during the tenure of the bond holdings.
2. A maximum leverage ratio of:

Period of bond terms	Maximum leverage ratio
Between Nov 2024 to Nov 2025	3.50 times
Between Dec 2025 to Nov 2026	3.25 times
Between Dec 2026 to Nov 2027	3.00 times
Between Dec 2027 to Nov 2028	2.75 times
Between Dec 2028 to Nov 2029	2.50 times

The leverage ratio is defined as the ratio of the net interest-bearing debt to the adjusted earnings before interest, taxation, depreciation, and amortisation (Adjusted EBITDA) as defined in the bond terms. The Group has complied with these covenants throughout the reporting period.

As at 30 September 2025, the ratio of interest-bearing debt to adjusted EBITDA was 1.8 times. The Group fully expects to comply with these covenants throughout the next reporting period.

Note 9 Super senior working capital revolving facility

USD 000s’	Balance at 30 September 2025 (unaudited)	Balance at 31 December 2024 (audited)
Balance at beginning of the period	-	-
Super senior working capital issued	10,000	-
Interest accrued	284	-
Closing	**10,284**	**-**

The Group entered into a Super Senior Working Capital Revolving Facility agreement on 15 July 2025 with the Group’s shareholders, to provide support to settle the liabilities due by the Group following the outcome of the concurrent arbitration case, concluded in June 2025.

The facility was established for a total commitment of USD 10.0 million and carries an interest rate that represents 6-month SOFR plus an annual margin set at 2.50%, total interest therefore equivalent to a monthly rate of approximately 0.56%.

Interest is accrued on the outstanding balance and payable every six months from the initial drawdown date. The facility is classified as a long-term liability in the consolidated statement of financial position as the final repayment date is in May 2029.

The proceeds from the drawdown were utilized to fund working capital requirements and settle certain outstanding obligations of the Group. The Group incurred no arrangement or commitment fees in connection with the facility.

Note 10 Revenue

USD 000s’	3 months ended 30 September 2025 (unaudited)	9 months ended 30 September 2025 (unaudited)	9 months ended 30 September 2024 (unaudited)
Time charter	39,961	104,998	83,267
Mobilisation and demobilization	2,186	5,936	2,094
Catering, crew, and others	8,847	27,301	13,331
Total revenue	**50,994**	**138,235**	**98,692**

Note 11 Segment reporting

3 months ended 30 September 2025

USD 000s'	Telford 25	Telford 28	Telford 30	Telford 31	Telford 34	Telford 33	Other	Total
Revenue	9,270	6,899	10,508	8,394	14,320	1,455	148	50,994
Less: Operating Costs	(3,108)	(2,903)	(4,061)	(2,606)	(3,208)	(325)	-	(16,211)
Less: Depreciation	(2,426)	(2,390)	(2,720)	(2,098)	(3,045)	(2,402)	-	(15,081)
Gross margin	**3,736**	**1,606**	**3,727**	**3,690**	**8,067**	**(1,272)**	**148**	**19,702**

9 months ended 30 September 2025

USD 000s'	Telford 25	Telford 28	Telford 30	Telford 31	Telford 34	Telford 33	Other	Total
Revenue	27,343	28,673	32,412	24,967	23,025	1,455	360	138,235
Less: Operating Costs	(9,340)	(11,722)	(12,163)	(6,815)	(7,239)	(325)	-	(47,604)
Less: Depreciation	(7,141)	(6,897)	(7,866)	(6,529)	(8,106)	(4,703)	-	(41,242)
Gross margin/(loss)	**10,862**	**10,054**	**12,383**	**11,623**	**7,680**	**(3,573)**	**360**	**49,389**

Other revenue sources consist of a contract secured in Q1 2025 for the rental of temporary living modules to a Client. This contract is for less than a year (inclusive of options), has no purchase option and deemed as low value and therefore the contract is not classified as a finance lease under IFRS16.

9 months ended 30 September 2024

USD 000s'	Telford 25	Telford 28	Telford 30	Telford 31	Telford 34	Other	Total
Revenue	19,312	27,364	16,215	10,193	25,608	-	98,692
Less: Operating Costs	(4,905)	(6,182)	(4,533)	(4,566)	(5,634)	-	(25,820)
Less: Depreciation	(5,687)	(5,189)	(5,331)	(5,272)	(6,589)	-	(28,068)
Gross margin/(loss)	**8,720**	**15,993**	**6,351**	**355**	**13,385**	**-**	**44,804**

Note 12 Finance costs – net

USD 000s'	3-months ended-30 September 2025	9-months ended-30 September 2025	9-months ended-30 September 2024
Finance income	(63)	(69)	(256)
Interest expense on lease liability	720	1,552	38
Interest on WCF	284	284	-
Interest on bond borrowing	5,894	18,708	-
Other finance costs	416	416	-
Foreign exchange loss – net	214	578	614
Net finance costs	**7,465**	**21,469**	**396**

Note 13 Due to related party

USD 000s'	Balance at 30 September 2025 (unaudited)	Balance at 31 December 2024 (audited)
Balance at beginning of the period	7,488	-
Management Incentive plan	-	7,488
Payment during the year	(1,771)	-
Closing	**5,717**	**7,488**

In 2024, the Group's management resolved to partially distribute the additional capital contribution to its parent company amounting to USD 220 million. Of this amount, USD 212.5 million was settled during 2024, while the remaining USD 7.5 million relating to the Management Incentive Plan was outstanding at year-end, representing the non-vested balances, and classified as related party liability. During the nine-month period ended 30 September 2025, USD 1.8 million vested and was settled with the related parties.

Note 14 Income tax liability

USD 000s'	Balance at 30 September 2025 (unaudited)	Balance at 31 December 2024 (audited)
Balance at beginning of the period	759	1,303
Provided during the year	5,706	2,768
Payment during the year	(4,771)	(3,312)
Closing	**1,694**	**759**

The Group is subject to taxation in the jurisdictions where it operates. The major operating and holding entities are incorporated in nil or low-tax jurisdictions and are not considered subject to tax outside their countries of incorporation. Differences in interpretation of tax residency and permanent establishment rules may create potential exposure in higher-tax jurisdictions. All known tax liabilities have been appropriately recognised based on applicable legislation and interpretations.

Note 15 Significant events

No material significant events have occurred following this financial report date.

Directors on behalf of Telford Finco.

Robert William Duncan
Director

Christoph Bausch
Director

Learn more about Telford Offshore at:
telfordoffshore.com