



## ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2021 - GENERELL INFORMASJON

### Enheten

Organisasjonsnummer: 920 538 630  
Organisasjonsform: Aksjeselskap  
Foretaksnavn: REFLECTION MARINE NORGE AS  
Forretningsadresse: Damsgårdsveien 135  
5160 LAKSEVÅG

### Regnskapsår

Årsregnskapets periode: 01.01.2021 - 31.12.2021

### Konsern

Morselskap i konsern: Nei

### Regnskapsregler

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

### Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Monica Tøsdal  
Dato for fastsettelse av årsregnskapet: 30.06.2022

### Grunnlag for avgivelse

År 2021: Årsregnskapet er elektronisk innlevert  
År 2020: Tall er hentet fra elektronisk innlevert årsregnskap fra 2021

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

Brønnøysundregistrene, 19.07.2023



### Resultatregnskap

Beløp i: USD	Note	2021	2020
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Seismic equipment rental and lease		18 807 371	14 901 057
Hire of personnel		953 931	1 163 091
Other operating revenue		3 354 480	1 188 629
Gain on sale of fixed assets	6		
<b>Sum inntekter</b>	<b>2</b>	<b>23 115 782</b>	<b>17 252 776</b>
<b>Kostnader</b>			
Personell expenses	3	7 196 648	9 339 573
Depreciation	6, 7	17 189 112	17 989 714
Cost of sales	3	14 883 270	8 468 995
Administration expenses	3	3 101 748	2 256 792
<b>Sum kostnader</b>		<b>42 370 778</b>	<b>38 055 074</b>
<b>Driftsresultat</b>		<b>-19 254 997</b>	<b>-20 802 298</b>
<b>Finansinntekter og finanskostnader</b>			
Renteinntekt fra foretak i samme konsern	11	27 370	46 425
Annen renteinntekt			1 486
Exchange loss (-) / gains (+)	4, 11	2 662 122	-2 774 984
<b>Sum finansinntekter</b>		<b>2 689 493</b>	<b>-2 727 073</b>
Rentekostnad til foretak i samme konsern	11	3 896 010	2 077 574
Annen rentekostnad		53	3 385
Other financial expenses		1 921	1 982
<b>Sum finanskostnader</b>		<b>3 897 984</b>	<b>2 082 941</b>
<b>Netto finans</b>		<b>-1 208 492</b>	<b>-4 810 014</b>
<b>Ordinært resultat før skattekostnad</b>		<b>-20 463 488</b>	<b>-25 612 312</b>
Tax expenses	5	-283 950	-291 218
<b>Ordinært resultat etter skattekostnad</b>		<b>-20 179 538</b>	<b>-25 321 094</b>
<b>Årsresultat</b>		<b>-20 179 538</b>	<b>-25 321 094</b>



## Resultatregnskap

<b>Beløp i: USD</b>	<b>Note</b>	<b>2021</b>	<b>2020</b>
Årsresultat etter minoritetsinteresser		-20 179 538	-25 321 094
<b>Totalresultat</b>		<b>-20 179 538</b>	<b>-25 321 094</b>
<b>Overføringer og disponeringer</b>			
Udekket tap	10	-20 179 538	-25 321 094
<b>Sum overføringer og disponeringer</b>		<b>-20 179 538</b>	<b>-25 321 094</b>



### Balanse

Beløp i: USD	Note	2021	2020
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
Research and development	7	3 671 976	
Patents, licences and software	7	19 395 750	22 216 950
Utsatt skattefordel	5		
Goodwill	7	890 800	1 336 200
<b>Sum immaterielle eiendeler</b>		<b>23 958 525</b>	<b>23 553 150</b>
<b>Varige driftsmidler</b>			
Seismic equipment	6		
Machinery and equipment	6	17 721 449	19 066 325
<b>Sum varige driftsmidler</b>		<b>17 721 449</b>	<b>19 066 325</b>
<b>Sum anleggsmidler</b>		<b>41 679 975</b>	<b>42 619 475</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
<b>Fordringer</b>			
Accounts receivables		891 470	116 906
Other short-term receivables		119 375	2 154 722
Receivables to group companies	11	112 635 192	2 842 733
<b>Sum fordringer</b>		<b>113 646 037</b>	<b>5 114 360</b>
<b>Bankinnskudd, kontanter og lignende</b>			
Cash and cash equivalents	8	2 400 020	1 222 340
<b>Sum bankinnskudd, kontanter og lignende</b>		<b>2 400 020</b>	<b>1 222 340</b>
<b>Sum omløpsmidler</b>		<b>116 046 057</b>	<b>6 336 700</b>
<b>SUM EIENDELER</b>		<b>157 726 032</b>	<b>48 956 175</b>

### BALANSE - EGENKAPITAL OG GJELD



### Balanse

Beløp i: USD	Note	2021	2020
<b>Egenkapital</b>			
<b>Innskutt egenkapital</b>			
Share capital	9, 10	3 838	3 838
<b>Sum innskutt egenkapital</b>		<b>3 838</b>	<b>3 838</b>
<b>Opptjent egenkapital</b>			
Udekket tap	10	-37 098 762	47 978 395
<b>Sum opptjent egenkapital</b>		<b>37 098 762</b>	<b>-47 978 395</b>
<b>Sum egenkapital</b>		<b>37 102 599</b>	<b>-47 974 557</b>
<b>Gjeld</b>			
<b>Langsiktig gjeld</b>			
<b>Annen langsiktig gjeld</b>			
Obligasjonslån	11	104 249 962	86 439 595
<b>Sum annen langsiktig gjeld</b>		<b>104 249 962</b>	<b>86 439 595</b>
<b>Sum langsiktig gjeld</b>		<b>104 249 962</b>	<b>86 439 595</b>
<b>Kortsiktig gjeld</b>			
Leverandørgjeld		4 621 483	2 566 208
Public duties payable		763 190	569 956
Liabilities to group companies	11	7 314 083	5 521 342
Other current debt		3 674 715	1 833 632
<b>Sum kortsiktig gjeld</b>		<b>16 373 471</b>	<b>10 491 137</b>
<b>Sum gjeld</b>		<b>120 623 433</b>	<b>96 930 732</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>157 726 032</b>	<b>48 956 175</b>



Skatteetaten

Vår dato 22.01.2019	Din/Deres dato 18.12.2018	Saksbehandler Torstein Kinden Helleland
800 80 000 Skatteetaten.no	Din/Deres referanse Hilde Marie Bjerga	Telefon 22078139
Org.nr 974761076	Vår referanse 2019/5189777	Postadresse Postboks 9200 Grønland 0134 OSLO

SHEARWATER GEOSERVICES HOLDING AS  
Postboks 1243, Sentrum  
5811 BERGEN

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

Det vises til deres brev av 18. desember 2018 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for følgende selskaper.

**Gecoship AS** org.nr. **950 384 913**  
**Reflection Marine AS** org.nr. **920 956 173**  
**Reflection Marine Norge AS** org.nr. **920 538 630**

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

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

### Bakgrunn

Selskapene er et heleide datterselskap av Shearwater GeoServices Holding AS som har dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk. Øvrige konsernselskaper har også dispensasjon. Shearwater GeoServices Holding AS med datterselskaper tilbyr tjenester innen seismikkvirksomhet internasjonalt. Konsernet opererer i en bransje hvor engelsk klart er det dominerende arbeidsspråket. Konsernets arbeidsspråk er engelsk. Selskapet driver virksomhet i en internasjonal bransje. Alle sentrale aktører og samarbeidspartnere innen denne bransjen behersker og benytter engelsk. En norsk oversettelse vil kun ha til formål å oppfylle regnskapslovens språkkrav.

### Skattedirektoratets vurdering

Etter regnskapsloven § 3-4 tredje ledd skal "årsregnskapet og årsberetningen ... være på norsk. Departementet kan ved ... enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk."

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



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

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

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

Som nevnt ovenfor er det særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt vekt på at selskapene er eid av et selskap som har dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk. Eierkretsen er begrenset. Øvrige konsernselskap har også dispensasjon fra språkkravet. Selskapene opererer i en internasjonal bransje. Videre er det vektlagt at alle sentrale aktører og samarbeidspartnere innen denne bransjen behersker og benytter engelsk.

Vennlig oppgi vår referanse ved henvendelse i saken.

Med hilsen

Henning Stokke  
seniorrådgiver  
Juridisk avdeling  
Skattedirektoratet

Torstein Kinden Helleland

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



To the General Meeting of Reflection Marine Norge AS

## *Independent Auditor's Report*

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### *Opinion*

We have audited the financial statements of Reflection Marine Norge AS (the Company), which comprise the statement of financial position as at 31 December 2021, the profit and loss account and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion

- the financial statements comply with applicable statutory requirements, and
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2021, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

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### *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 as required by laws and regulations 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.

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### *Other Information*

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report. 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.

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

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PricewaterhouseCoopers AS, Sandviksbodene 2A, Postboks 3984 - Sandviken, NO-5835 Bergen  
T: 02316, org. no.: 987 009 713 MVA, www.pwc.no  
Statsautoriserte revisorer, medlemmer av Den norske Revisorforening og autorisert regnskapsførerselskap



Independent Auditor's Report - Reflection Marine Norge AS



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 legal requirements.

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*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 the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

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*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.

For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to <https://revisorforeningen.no/revisjonsberetninger>

Bergen, 30 June 2022  
**PricewaterhouseCoopers AS**

Jon Haugervåg  
State Authorised Public Accountant

(This document is signed electronically)



 Securely signed with Brevio

Revisjonsberetning

**Signers:**

<b>Name</b>	<b>Method</b>	<b>Date</b>
Haugervåg, Jon	BANKID_MOBILE	2022-07-01 10:25

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# ANNUAL REPORT 2021

## Reflection Marine Norge AS

Damsgårdsvein 135  
5160 Laksevåg

Business org.no 920 538 630 MVA

### Contents:

Report of Board of Directors  
Financial Statement  
Auditor's report



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## Reflection Marine Norge AS Board of Directors' Report 2021

Reflection Marine Norge AS corporate office is in Bergen and its main function is engineering and research and development related to the seismic market.

The company's holding company, Shearwater GeoServices AS, is a sub-group to the Shearwater GeoServices Holding group.

### Future prospects

The company's operations are exposed to developments in the markets for oil and gas exploration and production. The energy markets experienced a significant tightening through 2021 as demand recovered towards the long-term trend whereas supply struggled to keep up. Several years of under-investment in the oil and gas sector has not been sufficiently compensated by investments in renewable energy and the second half of 2021 saw shortages and increasing energy prices. The war in Ukraine further underlined the importance of reliable and affordable energy.

As a result of this, energy companies are increasing their capex budgets for 2022 and guidance for the coming years. National oil companies represent the largest increases, but the oil majors are also communicating higher spending going forward. Shearwater is experiencing increased tender volume, both for streamer seismic and for OBS.

Growth opportunities are also emerging with increased investments in new markets such as wind, carbon storage, geothermal and other areas. Shearwater is well positioned to capture these opportunities as the largest provider of marine seismic acquisition services with a low-cost base and limited capex requirement over the coming years.

### Aspects of 2021

In the third full operating year the company continued to play a vital role in the Shearwater group delivering technology and innovation services along with supplying the marine operations with seismic equipment. The company has continued the projects it started in 2019 with development of next generation seismic equipment. Backed by external funding, the company is hopeful that the new technologies will play a vital role in the seismic industry in the years to come. From 2021 the collaboration have been extended from Equinor and Forskningsrådet to include Vår Energi and Lundin Energy Norway.

True to the commitment to having the industry's leading operating platform, the Shearwater group acquired additional streamers and acquisition vessels in April 2021, allowing the group to significantly extend the commercial life of the fleet and streamer pool and accelerate the fleet renewal program. By extending the runway of the asset base and maintaining the scale, Shearwater's position to invest in new technologies and the growing seabed market is strengthened significantly.

Shearwater is uniquely positioned for a recovering seismic market which in our view is set to resume the broad cyclical upswing which was set back by the pandemic. It also positions us for the ongoing energy transition, both in terms of modernizing the current operational platform, and to drive improvements both in technology and solutions to tackle new and existing markets with a smaller environmental footprint.

Profit before tax in 2021 is USD -20.5 mill. whilst net operating income in 2021 totals to USD -19.3 mill. Not taking depreciation into account, the company shows an operating loss of USD 2.1 mill. In 2021 financial items are negative by USD -1.2 mill. which is mainly intercompany interest expenses of USD 3.9 mill. and a positive currency effect USD 2.7 mill. (2020: positive USD -2.8 mill.) of the intercompany NOK loan.

The company's liquidity is USD 2.4 mill. as at 31.12.2021 (31.12.2020: USD 1.2 mill.). Cash flow from operating activities in 2021 was positive USD 1,1 mill (2020: USD -3,7 mill.). Cash flow from investment activities was negative USD -16,3 mill. due to investments in machinery, equipment and R&D. Net cash flow from financing activities was positive USD 16,4 mill. due to positive change in intercompany assets/liabilities.

### Financial risk

The majority of the company's revenue is in USD. The company's expenses are mainly in NOK and USD. The company will attempt to minimise risks by implementing hedging arrangements when appropriate, but will not be able to fully avoid these risks.

Lack of or delayed payment from customers may significantly and adversely impair the company's revenue and liquidity. The concentration of the company's customers in the energy industry may impact its overall



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exposure to credit risk as customers may be similarly affected by prolonged changes in economic and industry conditions, as well as by the general constraints on liquidity resulting from the continued low oil prices. However, so far customers have been large corporations with a good credit quality and the company regards the counterparty risk satisfactory.

The company has bank deposits in NOK and USD. The company considers liquidity risk as limited.

The company has during 2020 and 2021 been working on several development projects, some with support from external funders like Equinor and Norges Forskningsråd. There is always a risk that development projects are proven unsuccessful, however the company strongly believes in the ongoing developments and will further support them during 2022. The Covid-19 pandemic has not caused material delay to the finalisation of the development projects.

Based on the above report of profit and loss for the company, the Board of Directors confirms that the financial statements for 2021 are prepared on the principle of going concern and that there is basis for adopting this principle in accordance with section 3-3 of the Norwegian Accountancy Act.

#### Employees

The company had 48 employees at year end of which 13% were women. The board of directors consists of one female and one male director. The company had a sick leave ratio of 0.77% in 2021.

Shearwater has made great efforts into building a strong organisational culture across the group through the Shearwater Focus program and has a strong emphasis on building a good working environment in the group's different locations. As an employer, the company does not accept discrimination of any kind of its employees or other parties involved in the company's activities. This includes any and all unjust treatment, exclusion or preference based on ethnicity, gender, age, sexual orientation, disability, religion, political persuasion or other circumstances.

There have been no registered injuries or accidents in the company in 2021.

#### Environment

Shearwater group's and therein the company's, seeing as it is now part of Shearwater group, 'Focus on Zero' initiative will continue to develop with the organisation going forward. The "safe" component of the new campaign remains the same: to "focus our intentions and behaviours on consistently striving towards Zero Harm, Zero Loss and Zero Rework." This includes, but is not limited to, focus on zero uncontrolled release of harmful substances to the natural environment.

#### Liability insurance


Shearwater has a directors, officers and company liability insurance with a sum insured of NOK 150,000,000. The insurance applies to all subsidiaries with more than 50% ownership, ie everyone in the group.

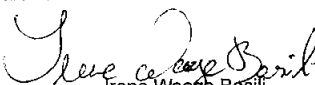
#### Allocation of net income

The financial statement shows a negative net income of USD -20,179,538,- which is proposed transferred to uncovered loss.

Bergen, 30.06.2022

Board of Directors in Reflection Marine Norge AS

  
Peter Hooper  
general manager

  
Irene Waage Basili  
chairman of the board

  
Andreas Hveding Aubert  
member of the board



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**Reflection Marine Norge AS**  
**Profit and Loss account (in USD)**

<b>OPERATING REVENUE AND EXPENSES</b>	<b>NOTE</b>	<b>2021</b>	<b>2020</b>
Seismic equipment rental and lease		18,807,371	14,901,057
Hire of personnel		953,931	1,163,091
Other operating revenue		3,354,480	1,188,629
<b>Total operating revenue</b>	<b>2</b>	<b>23,115,782</b>	<b>17,252,776</b>
Cost of sales	3	14,883,270	8,468,995
Personell expenses	3	7,196,648	9,339,573
Administration expenses	3	3,101,748	2,256,792
Depreciation	6, 7	17,189,112	17,989,714
<b>Total operating expenses</b>		<b>42,370,778</b>	<b>38,055,074</b>
<b>Net operating income</b>		<b>-19,254,997</b>	<b>-20,802,298</b>
<b>FINANCIAL ITEMS</b>			
Interest income from group entities	11	27,370	46,425
Other interest income		0	1,486
Interest expenses to group entities	11	3,896,010	2,077,574
Interest expenses		53	3,385
Other financial expenses		1,921	1,982
Exchange loss (-) / gains (+)	4, 11	2,662,122	-2,774,984
<b>Net financial income and expenses</b>		<b>-1,208,492</b>	<b>-4,810,014</b>
Operating result before tax		-20,463,488	-25,612,312
Tax expenses	5	-283,950	-291,218
<b>Net income</b>		<b>-20,179,538</b>	<b>-25,321,094</b>
<b>ALLOCATION OF NET INCOME</b>			
Loss brought forward	10	20,179,538	25,321,094
<b>Total allocation</b>		<b>-20,179,538</b>	<b>-25,321,094</b>



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**Reflection Marine Norge AS**  
**Statement of Financial position (in USD)**

<b>ASSETS</b>	<b>NOTE</b>	<b>2021</b>	<b>2020</b>
<b>FIXED ASSETS</b>			
<b>INTANGIBLE ASSETS</b>			
Research and development	7	3,671,976	0
Patents, licences and software	7	19,395,750	22,216,950
Goodwill	7	890,800	1,336,200
<b>Total intangible assets</b>		<b>23,958,525</b>	<b>23,553,150</b>
<b>TANGIBLE ASSETS</b>			
Machinery and equipment	6	17,721,449	19,066,325
<b>Total tangible assets</b>		<b>17,721,449</b>	<b>19,066,325</b>
<b>Total fixed assets</b>		<b>41,679,975</b>	<b>42,619,475</b>
<b>CURRENT ASSETS</b>			
<b>DEBTORS</b>			
Accounts receivables		891,470	116,906
Other short-term receivables		119,375	2,154,722
Receivables to group companies	11	112,635,192	2,842,733
<b>Total receivables</b>		<b>113,646,037</b>	<b>5,114,360</b>
<b>Cash and cash equivalents</b>	8	<b>2,400,020</b>	<b>1,222,340</b>
<b>Total current assets</b>		<b>116,046,057</b>	<b>6,336,700</b>
<b>Total assets</b>		<b>157,726,032</b>	<b>48,956,175</b>

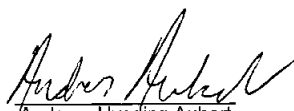


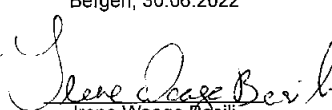
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**Reflection Marine Norge AS**  
**Statement of Financial position (in USD)**

<b>EQUITY AND LIABILITIES</b>	<b>NOTE</b>	<b>2021</b>	<b>2020</b>
<b>PAID-IN CAPITAL</b>			
Share capital	9, 10	3,838	3,838
<b>Total paid-in capital</b>		<b>3,838</b>	<b>3,838</b>
<b>RETAINED EARNINGS</b>			
Uncovered loss	10	37,098,762	-47,978,395
<b>Total retained earnings</b>		<b>37,098,762</b>	<b>-47,978,395</b>
<b>Total equity</b>		<b>37,102,599</b>	<b>-47,974,557</b>
<b>LIABILITIES</b>			
<b>OTHER LONG-TERM LIABILITIES</b>			
Long term liabilities to group companies	11	104,249,962	86,439,595
<b>Total other long term liabilities</b>		<b>104,249,962</b>	<b>86,439,595</b>
<b>CURRENT DEBT</b>			
Trade creditors		4,621,483	2,566,208
Public duties payable		763,190	569,956
Liabilities to group companies	11	7,314,083	5,521,342
Other current debt		3,674,715	1,833,632
<b>Total current debt</b>		<b>16,373,471</b>	<b>10,491,137</b>
<b>Total liabilities</b>		<b>120,623,433</b>	<b>96,930,732</b>
<b>Total equity and liabilities</b>		<b>157,726,032</b>	<b>48,956,175</b>

Bergen, 30.06.2022

  
Andreas Hveding Aubert  
member of the board

  
Irene Waage Basili  
chairman of the board

  
Peter Allan Hooper  
general Manager



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## Reflection Marine Norge AS Cash Flow Statement (in USD)

	NOTE	2021	2020
<b>Cash flow from operating activities:</b>			
Profit before tax		-20,463,488	-25,612,312
Depreciation and write-down	6, 7	17,189,112	17,989,714
Change in accounts receivables / accounts payables		3,073,452	2,079,256
Adjustment currency effect long term loan	11	-2,810,948	2,438,537
Change in other current assets / liabilities		4,069,665	-621,363
<b>Net cash flow from operating activities</b>		<b>1,057,793</b>	<b>-3,726,168</b>
<b>Cash flow from investing activities:</b>			
Investment in fixed assets	6, 7	-12,577,636	-1,528,621
Investment in R&D	6, 7	-3,671,976	0
<b>Net cash flow from investing activities</b>		<b>-16,249,612</b>	<b>-1,528,621</b>
<b>Cash flow from financing activities</b>			
Change in current IC assets / liabilities	11	16,369,499	1,796,858
<b>Net cash flow from financing activities</b>		<b>16,369,499</b>	<b>1,796,858</b>
Net change in cash and cash equivalents		1,177,680	-3,457,930
Cash and cash equivalents at 01.01.		1,222,340	4,680,269
<b>Cash and cash equivalents at 31.12.</b>		<b>2,400,020</b>	<b>1,222,340</b>



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Reflection Marine Norge AS

Notes to the financial statement 2021

## Note 1 Accounting principles

Reflection Marine Norge AS is a Norwegian registered company with registered address in Bergen, founded 26. February 2018. The company's engineering personnel and equipment are located in Asker. The company's main focus is to provide geophysical services to the oil- and gasindustry, as well as investments in companies related to this business.

The company's holding company, Reflection Marine AS was merged with Shearwater GeoServices AS December 2021.

Financial statements for the Shearwater group can be located at the head office for Shearwater GeoServices Holding AS in Damsgårdsveien 135, Bergen.

The financial statements are prepared in accordance with the Norwegian Generally Accepted Accounting Principles (NGAAP) as set out in the Norwegian Accounting Act of 1998. The accounting principles are described below.

### Use of functional currency

The company is presenting its financial statements in USD, as this is defined as the presentation and functional currency. Transactions in foreign currencies are initially recorded at the functional currency rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the balance sheet date. All differences are taken to profit or loss. Non-monetary assets items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

### Policies for revenue recognition

Revenue is recognised when it is probable that the economic benefit from a transaction will flow to the company and revenue can be reliably measured. The revenue is measured at fair value of the consideration received, net of discounts and sale taxes and duty.

### Classification of assets and liabilities in the financial statement

Assets intended for permanent ownership or use and receivables due later than one year after the balance sheet date are classified as fixed assets. Other assets are classified as current assets. Liabilities due later than one year after the balance sheet date are classified as long-term debt. Other liabilities are classified as short-term debt.

### Receivables and liabilities in foreign currency

Receivables and liabilities in a foreign currency are translated into USD using the exchange rate at the balance sheet date. Realised and unrealised gains and losses are classified as financial items.

### Property, plant and equipment

Property, plant and equipment acquired by the company are presented at historical cost less accumulated depreciation and impairment changes. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Depreciation on items of property, plant and equipment are mainly depreciated using the straight-line method to allocate their cost to their residual values.

If an indication of impairment exists, an impairment test is performed. If the recoverable amount of a tangible non-current asset is lower than book value, the asset will be written down to the higher of fair value less cost to sell and value in use. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gains or losses on derecognising of the asset calculated as the difference between the net disposal and the carrying amount of the asset is included in the income statement in the year the asset is derecognised.

Seismic equipment, leased and owned	3 - 7 years
Manufacturing and engineering equipment	1 - 7 years



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Reflection Marine Norge AS

Notes to the financial statement 2021

The residual values and estimated useful lives of items of property, plant and equipment are reviewed, and adjusted annually as appropriate, at the year-end balance sheet date.

#### **Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment. The cost of internally generated intangible asset is expensed as incurred.

#### *Goodwill*

The difference between the cost of an acquisition and the fair value of net identifiable assets on the acquisition date is recognised as goodwill.

Goodwill is depreciated over five years. It is tested for impairment if there are indications that the value should be impaired. The impairment test involves determining the recoverable amount of the cash-generating units, which corresponds to the highest of fair value less costs to sell or the value in use.

#### *Patents, licenses and software*

Patents, licenses and technology are stated at cost less accumulated amortisation and accumulated impairment. Amortisation is calculated on a straight-line basis over 10 years which is the estimated period of benefit.

#### *Research and development*

Research costs are expensed as incurred. An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if all of the following have been demonstrated: technical and commercial feasibility of completing the intangible assets so that it will be available for use or sale; the intention to complete the intangible asset and use or sell it; the ability to use or sell the intangible asset; how the intangible asset will generate probable future economic benefits; the availability of adequate technical, financial and other resources to complete the development to use or sell the intangible asset; and the ability to reliably measure the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally generated intangible assets is the sum of the expenditure incurred from the date on which the intangible asset first satisfies the recognition criteria above. All other development costs are expensed as incurred.

Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment, on the same basis as intangible assets acquired separately. Capitalised development costs are amortised on a straight-line basis over the estimated useful life of the asset.

#### **Receivables**

Receivables are valued at the lower of the nominal value and fair value.

#### **Cash**

Cash and bank deposits, etc. include bank deposits, cash in hand and short-term bank deposits with an original maturity of three months or less.

#### **Provision**

A provision is recognised when the company has an obligation (legal or self-imposed) as a result of a previous event, it is probable (more likely than not) that a financial settlement will take place as a result of this obligation and the size of the amount can be measured reliably. If the effect is considerable, the provision is calculated by discounting estimated future cash flows using a discount rate before tax that reflects the market's pricing of the time value of money and, if relevant, risks specifically linked to the obligation.

#### **Taxes**

Taxes are expensed when incurred, which means the tax expense is related to the financial statements profit/loss before tax. Tax expenses consist of tax payable (tax on the financial years taxable income) and change in net deferred tax. The tax expense is distributed between ordinary profit/loss and extraordinary profit/loss according to the tax basis. Deferred tax and deferred tax asset is presented net in the balance sheet.

#### **Cash flow statement**



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Reflection Marine Norge AS

Notes to the financial statement 2021

The company's cash flow statement shows the company's consolidated cash flows distributed between operating activities, investment activities and financing activities. The statement shows the impact of the different activities on the company's cash and cash equivalents. The cash flow statement is presented based on the indirect method.

**Contingencies**

Contingent losses are recognised as expense if they are probable and can be reliably measured. Contingent gains that are probable and contingent losses that are less probable are not recognised but disclosed in the annual report or in the accompanying notes.



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Reflection Marine Norge AS

Notes to the financial statement 2021

## Note 2 Operating revenue

Operating revenue is a combination of revenue related to the marine acquisition segment and engineering services. In 2021 86.9% of the revenue is related to marine acquisition segment (2020: 62.6%) and 13.1% is related to engineering services (2020: 37.4%).

Of total revenue in 2021, is 64.5% within the geographical segment EAME - Europe, Africa and Middle East (2020: 85.3%), 33.2% related to NSA - North and South America (2020: 2.6%) and 2.3% is related to the geographical segment APAC - Asian Pacific (2020: 12.2%).

In 2019 the company started a three year project together with Equinor with support from Norges Forskningsråd. From 2021 the collaboration have been extended to include Vår Energi and Lundin Energy Norway. Other income recognised for 2021 is USD 3.4 (2020: USD 1.2 mill.).

Of total revenue in 2021, 37.3% and 32.9% are related to two group companies (2020: 49.2%, 0.0%) and 27.5% is split between two external customers (2020: 44.2%). The remaining 2.3% relates to six group companies. The company had two external customers in 2021 (2020: five).

## Note 3 Salary and personnel expense

Salary and personnel expense includes salary to employees and hired personnel.

Salary and benefits cost (USD 1000)	2021	2020
Salary cost	7,764	6,349
Social security	1,276	1,000
Pension and insurance cost	605	676
Other benefits	-813	1,314
Capitalised personell expenses	-1,635	0
<b>Total salary and benefits cost</b>	<b>7,197</b>	<b>9,340</b>

Number of employees as of year end:

Office employees	48	46
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The company has a defined contribution plan as required by Norwegian law.

The members of the board as well as the managing director, are employed by another legal entity within the Shearwater group. The board members and managing director do not receive any additional remuneration for work performed for Reflection Marine Norge AS on top of the remuneration for their other functions within the group.

Auditor's fee in 2021 is related to statutory audit USD 21,217 and USD 4.240 for other services. The amount is excluding VAT.

## Note 4 Financial exchange loss/gains

The net currency gain in 2021 is USD 2.7 mill. The net currency loss in 2020 was USD 2.8 mill.



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Reflection Marine Norge AS

Notes to the financial statement 2021

## Note 5 Taxes

Taxes in profit and loss:	2021	2020
Tax payable	0	0
Change in deferred tax	-283,950	-291,218
<b>Tax expenses</b>	<b>-283,950</b>	<b>-291,218</b>
<b>Taxable income:</b>		
Net income before tax	-22,443,490	-22,268,025
Permanent differences	0	-559,823
Adjusted for non deductible interests	3,796,732	2,258,952
Change in temporary differences	6,960,317	7,765,479
Group contribution received	1,290,683	1,323,720
<b>Net taxable income</b>	<b>-10,395,759</b>	<b>-11,479,696</b>
<b>Temporary differences:</b>		
Fixed assets	-14,887,094	-8,193,214
Interest cost brought forward	-8,880,646	-5,254,796
Losses brought forward	-46,067,272	-36,870,514
<b>Deferred tax assets</b>	<b>-69,835,012</b>	<b>-50,318,524</b>
Not recognised tax assets	69,835,012	50,318,524
<b>Deferred tax / deferred tax assets</b>	<b>0</b>	<b>0</b>
Tax rate for tax payable	22%	
Tax rate deferred tax 2021	22%	
Tax rate deferred tax 2022	22%	

The company's functional currency is USD but for tax purposes the company holds a dual accounting in NOK. The dual accounting is the basis for the income tax return and also figures in the tax note. The amounts have all been translated with the exchange rate at the balance sheet date NOK/USD 0.11339 in 2021 (2020: NOK/USD 0.11720).

As the company do not expect to be able to utilise the deferred tax in the very near future, the company has chosen not to recognise deferred tax assets in the balance sheet.



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Reflection Marine Norge AS

Notes to the financial statement 2021

## Note 6 Tangible assets

	Seismic equipment	Engineering and office equipment	Total
Acquisition cost at period start	49,111,272	8,098,975	57,210,248
Additions during the year	12,577,636	0	12,577,636
<b>Acquisition cost at 31 Dec 2021</b>	<b>61,688,909</b>	<b>8,098,975</b>	<b>69,787,884</b>
<b>Accumulated depreciation:</b>			
Balance at period start	30,383,582	7,760,341	38,143,923
Depreciation for the period	13,737,414	185,099	13,922,512
<b>Accumulated depreciation at 31 Dec 2021</b>	<b>44,120,996</b>	<b>7,945,440</b>	<b>52,066,435</b>
<b>Balance sheet values at 31 Dec 2021</b>	<b>17,567,913</b>	<b>153,535</b>	<b>17,721,449</b>
Estimated useful lifetime	3 to 7 years	1 to 7 years	

The equipment is pledged as security for a loan facility in Shearwater GeoServices AS, the holding company.

### *Impairment of seismic equipment*

The company tests as a principle whether assets have suffered any impairment on an annual basis. Shearwater monitors the market for used seismic streamers closely to secure enough streamers for its operations and to be able to postpone a cash intensive investment in new streamers. The group entered into two streamer acquisitions, January 2020 and April 2021 respectively, for used streamers with an average age of 4 years from two different counterparties.

At year end 2021, the company looks towards the group transactions and find that assuming an indirect value for used equipment based on the acquisition of the streamers from both transactions, would imply a value considerably higher than book value given the same age of the packages. As such no impairment was made for seismic equipment.



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Reflection Marine Norge AS

Notes to the financial statement 2021

## Note 7 Intangible assets

	Research and development	Patents and software	Goodwill	Total intangible assets
<b>2021</b>				
Costs as of 1 January	0	28,212,000	2,227,000	30,439,000
Additions to costs	3,671,976	0	0	3,671,976
<b>Cost as of 31 December</b>	<b>3,671,976</b>	<b>28,212,000</b>	<b>2,227,000</b>	<b>34,110,976</b>
Amortisation as of 1 January	0	5,995,050	890,800	6,885,850
Amortisation expense	0	2,821,200	445,400	3,266,600
<b>Amortisation as of 31 December</b>	<b>0</b>	<b>8,816,250</b>	<b>1,336,200</b>	<b>10,152,450</b>
Balance as of 31 December	3,671,976	19,395,750	890,800	23,958,525
Estimated useful life	10 years	10 years	5 years	
<b>2020</b>				
Costs as of 1 January	0	28,212,000	2,227,000	30,439,000
Additions to cost	0	0	0	0
<b>Costs as of 31 December</b>	<b>0</b>	<b>28,212,000</b>	<b>2,227,000</b>	<b>30,439,000</b>
Amortisation as of 1 January	0	3,173,850	445,400	3,619,250
Amortisation expense	0	2,821,200	445,400	3,266,600
<b>Amortisation as of 31 December</b>	<b>0</b>	<b>5,995,050</b>	<b>890,800</b>	<b>6,885,850</b>
Balance as of 31 December	0	22,216,950	1,336,200	23,553,150
Estimated useful life	10 years	10 years	5 years	

### Research and development

The capitalised Research and Development reflect the direct consultants, materials and payroll cost related to the Pearl ocean bottom node project in 2021. It is expected that the nodes will be in commercial operation from mid 2022. Estimated useful lifetime for the finalised product is 10 years.

### Patents and software

The patents and software were acquired as part of a carve out transaction in the Schlumberger group and are recognised at their fair value at date of acquisition and are subsequently amortised on a straight-line based on estimated useful lives. When estimating fair value, one considers the possibility that the theoretical lifetime of the patent agreement can deviate from the underlying technology's actual lifetime as technology can become outdated before the patent agreement expires. The company believes that the remaining patent life, which has an average lifetime of 10 years, is a reasonably proxy for the assets' useful life

### Goodwill

The goodwill relates to key competence within the full range of geophysical acquisition techniques.

### Impairment of intangible assets

The company tests as a principle whether intangible assets have suffered any impairment on an annual basis. At the end of 2021, the company finds that the assumptions the purchase price allocation finalised in 2019 was based on is still relevant. Even though the last years has shown how volatile both stock exchange and oil prices are when faced with unchartered events, the company is cautiously optimistic and trends show that activity levels have more or less returned to pre-Covid levels and the company expects further increase in activity. The current levels of activity will lead to substantial requirement for new streamers in the market within the next few years, furthering the credibility of the value of patents and software. No impairment was made for intangible assets.



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Reflection Marine Norge AS

Notes to the financial statement 2021

## Note 8 Cash and cash equivalents

Cash held for employee tax payments totals USD 0.3 mill. as at 31.12.2021 (2020: USD 0.3 mill.). There are no other restricted cash items.

## Note 9 Share capital

The company's share capital consists of 30 shares at NOK 1 000, a total of NOK 30 000. Booked value is USD 3,838.

Shearwater GeoServices AS owns 100% of the shares. Reflection Marine AS was the previous owner until merger with Shearwater GeoServices AS on 7 December 2021.

## Note 10 Equity

	Share capital	Uncovered loss	Total equity
Equity as at 01.01.	3,838	-47,978,395	-47,974,557
Group contribution received, net of tax		1,006,732	1,006,732
Group contribution received, without tax effect		104,249,962	104,249,962
Loss for the year		-20,179,538	-20,179,538
<b>Equity as at 31.12.</b>	<b>3,838</b>	<b>37,098,761</b>	<b>37,102,599</b>

## Note 11 Intercompany balances

Short term receivables to group companies totals USD 112.6 mill. in 2021 (2020: 2.8 mill.) and consist of USD 105.5 million in group contribution and the remaining amount is ordinary trade receivables from group companies.

Short term liabilities to group companies totals USD 7.3 mill. in 2021 (2020:5.5 mill.) and consist of a combination of short term loan from holding companies and ordinary trade payables to group companies.

All intercompany balances are subject to interest calculation if payments are unreasonably late.

Trade payables to Shearwater GeoServices AS USD 20.6 mill. have been transferred to long term loan. Long term liability of USD 83.6 mill. (2020: 86.4 mill.) is a long term interest-bearing NOK loan from Reflection Marine AS with due date in 2021. Shearwater GeoServices AS is now the counterpart after the merger with Reflection Marine AS in December 2021. Accrued interests in 2021 totals USD 3.9 mill. (2020: 2.1 mill.). The loan has been retranslated to USD with the exchange rate at the balance sheet date. Net currency gain in 2021 is USD 2.8 mill. (2020: loss USD 2.4 mill.).



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Reflction Marine Norge AS

Notes to the financial statement 2021

## **Note 12 Transactions with related parties**

In 2021 the company has rented seismic equipment to group companies with a total of USD 15.8 mill. (2020: USD 8.5 mill.) of which USD 8.0 mill. is to Shearwater GeoServices Assets V AS (2020: USD 7.8 mill.) and USD 7.6 mill. is to Shearwater GeoServices do Brasil Ltda. (2020: nil)

Seafarers employed in the company are hired to vessel and operating companies in the group. In 2021 this totals to USD 1.3 mill. (2020: USD 1.2 mill.).

The company has been charged for a corporate service fee from Shearwater GeoServices Norway AS. In 2021 corporate service fee totals USD 392,281 (2020: USD 282,829) .

The transactions are all part of the ordinary business.

## **Note 13 Subsequent events**

The Covid-19 pandemic continued to affect the Shearwater group throughout 2021. However, the uncertainty the group saw in the beginning of 2022 has subsided and been replaced by improved visibility and modest optimism, and more specifically for the industry, oil prices are back at levels motivating customers to resume E&P activities and demand more seismic data. The company still expects the current market situation to prevail for the remainder of 2022.

In February 2022 Russia invaded Ukraine. The ongoing invasion is widely condemned in the international community and sanctions have been imposed on Russian businesses, certain nationals, and the state. The war has led to widespread business disruptions, impacted the global economy and commodity prices, and triggered significant short-term volatility in international debt and equity markets. There is great uncertainty with regards to the extent and duration of the conflict and its impact on the global economy, as well as the Group's performance over time. Oil and gas prices have increased from already high levels before the invasion due to Russia being a leading exporter of gas, oil and coal to Europe. There is uncertainty regarding the potential impact on safe and reliable energy supply, as well as to the market prices of oil, gas and other commodities which may impact the Group's future operations and results. Geopolitical risk also impacts survey operations in certain parts of the world and Shearwater manages this by close engagement with our clients and local authorities. One equipment lease with a Russian client that was due to terminate in July 2022, was terminated early following the implementation of sanctions.