



## ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2018 - GENERELL INFORMASJON

### Enheten

Organisasjonsnummer:	919 117 133
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	TRACE INVEST AS
Forretningsadresse:	Damsgårdsveien 135 5160 LAKSEVÅG

### Regnskapsår

Årsregnskapets periode:	01.01.2018 - 31.12.2018
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### Konsern

Morselskap i konsern:	Ja
Konsernregnskap lagt ved:	Nei

### Regnskapsregler

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

### Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Hilde Marie Bjerga
Dato for fastsettelse av årsregnskapet:	28.06.2019

### Grunnlag for avgivelse

År 2018: Årsregnskapet er elektronisk innlevert  
År 2017: Tall er hentet fra elektronisk innlevert årsregnskap fra 2018

*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, 19.11.2020



## Resultatregnskap

Beløp i: USD	Note	2018	2017
<b>RESULTATREGNSKAP</b>			
<b>Kostnader</b>			
Annen driftskostnad	2	6 193 809	
<b>Sum kostnader</b>		<b>6 193 809</b>	
<b>Driftsresultat</b>		<b>-6 193 809</b>	
<b>Finansinntekter og finanskostnader</b>			
Renteinntekt fra foretak i samme konsern		1 483 186	
Annen renteinntekt		101 769	
<b>Sum finansinntekter</b>		<b>1 584 955</b>	
Rentekostnad til foretak i samme konsern		2 497	
Annen rentekostnad		3 818 750	
Annen finanskostnad		11 548 462	
<b>Sum finanskostnader</b>		<b>15 369 709</b>	
<b>Netto finans</b>		<b>-13 784 754</b>	
<b>Ordinært resultat før skattekostnad</b>		<b>-19 978 563</b>	<b>0</b>
<b>Ordinært resultat etter skattekostnad</b>		<b>-19 978 563</b>	<b>0</b>
<b>Årsresultat</b>		<b>-19 978 563</b>	<b>0</b>
<b>Årsresultat etter minoritetsinteresser</b>		<b>-19 978 563</b>	
<b>Totalresultat</b>		<b>-19 978 563</b>	
<b>Overføringer og disponeringer</b>			
Overføringer til/fra annen egenkapital		-19 978 563	
<b>Sum overføringer og disponeringer</b>		<b>-19 978 563</b>	



## Balanse

Beløp i: USD	Note	2018	2017
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
<b>Finansielle anleggsmidler</b>			
Investering i datterselskap		204 181 109	
Lån til foretak i samme konsern		454 422 826	
Andre fordringer		11 287 500	
<b>Sum finansielle anleggsmidler</b>		<b>669 891 434</b>	
<b>Sum anleggsmidler</b>		<b>669 891 434</b>	<b>0</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
<b>Fordringer</b>			
Andre fordringer		22 644 627	
<b>Sum fordringer</b>		<b>22 644 627</b>	
<b>Investeringer</b>			
Markedsbaserte aksjer		1 236 157	
<b>Sum investeringer</b>		<b>1 236 157</b>	
<b>Bankinnskudd, kontanter og lignende</b>			
Bankinnskudd, kontanter og lignende	5	35 984 052	3 656
<b>Sum bankinnskudd, kontanter og lignende</b>		<b>35 984 052</b>	<b>3 656</b>
<b>Sum omløpsmidler</b>		<b>59 864 836</b>	<b>3 656</b>
<b>SUM EIENDELER</b>		<b>729 756 270</b>	<b>3 656</b>

## BALANSE - EGENKAPITAL OG GJELD

### Egenkapital

#### Innskutt egenkapital



## Balanse

<b>Beløp i: USD</b>	<b>Note</b>	<b>2018</b>	<b>2017</b>
Selskapskapital	3, 4	32 307 586	3 656
Annen innskutt egenkapital		272 717 513	
<b>Sum innskutt egenkapital</b>		<b>305 025 099</b>	<b>3 656</b>
Annen egenkapital	3		
<b>Sum egenkapital</b>		<b>305 025 099</b>	<b>3 656</b>
<b>Gjeld</b>			
<b>Langsiktig gjeld</b>			
<b>Annen langsiktig gjeld</b>			
Gjeld til kredittinstitusjoner		320 071 917	
<b>Sum annen langsiktig gjeld</b>		<b>320 071 917</b>	
<b>Sum langsiktig gjeld</b>		<b>320 071 917</b>	<b>0</b>
<b>Kortsiktig gjeld</b>			
Annen kortsiktig gjeld		104 659 255	
<b>Sum kortsiktig gjeld</b>		<b>104 659 255</b>	
<b>Sum gjeld</b>		<b>424 731 172</b>	<b>0</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>729 756 270</b>	<b>3 656</b>



## Skattedirektoratet

Saksbehandler Rune Tystad	Deres dato 16.04.2018+16.04.2018	Vår dato 26.04.2018
Telefon 97759464	Deres referanse Hilde Marie Bjerga	Vår referanse 2018/578894

~~TRACE INVEST A~~TRACE INVEST AS  
~~Postbok 1243 Sentrum~~Postbok 1243 Sentrum  
~~58115814 BERGEN~~BERGEN

## Tillatelse til å utarbeide årsregnskap på engelsk språk for Trace Invest AS, org.nr. 919 117 133

Vi viser til deres brev mottatt 16. april 2018 der dere søker om dispensasjon fra kravet til å utarbeide årsregnskap på norsk språk for Trace Invest AS.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering Trace Invest AS dispensasjon fra kravet til å utarbeide årsregnskap 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

Trace Invest AS er et heleid datterselskap av Shearwater GeoServices Holding AS. Shearwater GeoServices Holding AS med datterselskap tilbyr tjenester innen seismikkvirksomhet internasjonalt. Shearwater GeoServices Holding AS og øvrige konsernselskaper har dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk. Konsernet opererer i en bransje hvor engelsk klart er det dominerende arbeidspråket. All kommunikasjon med konsernets primære kunder og kreditorer foregår på engelsk. Konsernets arbeidsspråk er også engelsk.

### 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*

Postadresse  
Postboks 9200 Grønland  
0134 Oslo

Besøksadresse:  
Se [www.skatteetaten.no](http://www.skatteetaten.no)  
Org.nr: 996250318  
E-post:  
[skatteetaten.no/sendepost](mailto:skatteetaten.no/sendepost)

Sentralbord  
800 80 000  
Telefaks  
22 17 08 60



*forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon.”*

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

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

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt særlig vekt på at selskapet er et heleid datterselskap. Eierkretsen er begrenset. Morselskapet som har dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk. Videre er det vektlagt at selskapet opererer innen en bransje der engelsk er det dominerende arbeidsspråket og at konsernets arbeidsspråk er enkelsk.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Torstein Kinden Helleland  
*seniorrådgiver*  
Rettsavdelingen, foretaksskatt  
Skattedirektoratet

Rune Tystad

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



## ANNUAL REPORT 2018

### TRACE INVEST AS

Damgsårdsveien 135  
5160 Laksevåg  
Business reg.no. 919 117 133 MVA

**Contents:**

Board of Director's report  
Financial Statement  
Auditor's Report





Brønnøysundregistrene AS  
Annual Report 2018

Trinn 1: Innledning  
2018

Sammendrag  
2018

Teori og metode

Future prospects

Teori og metode

Innledning  
2018

Current trends  
2018

Aspects of 2018

Teori og metode

Protektor  
2018

Teori og metode  
2018

Financial risk

Teori og metode  
2018

Creditor



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nvironment

Tr e In est AS s r to S e r ter r o nd t er e n t e r o s o  
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ste n nd Me er o t e	e	Tr Me er o t e	e L c



Interest rate risk is mainly related to the company's long-term debt USD 325,0 mill. The long-term loan is exposed to the development in USD interest rates. The lenders are renowned Norwegian shippingbanks.

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

The company has not participated in research and development activities in 2018.

#### Going concern

Based on the above report of profit and loss for the company, the Board of Directors confirms that the financial statements for 2018 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.

#### Social responsibility

Trace Invest AS's ambition is to practice social responsibility. Shearwater has prepared guidelines for ethics and social responsibility that constitute general principles for business practices and personal conduct and provide a basis for the attitudes and values that should govern the culture in the company and its subsidiaries. For a thorough account for the social responsibility and sustainability work carried out by Shearwater group, please refer to the "Code of Conduct" at the homepage [www.shearwatergeo.com](http://www.shearwatergeo.com).

#### Employees

The company has no employees. The administration of the company is taken care of by Shearwater GeoServices Norway AS which is a company in the Shearwater GeoServices group. The Board of Directors consists of only male board members.

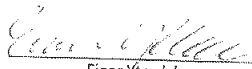
#### Environment

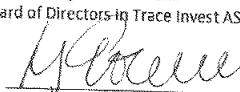
Trace Invest AS is a part of Shearwater group and therein the group's 'Focus on Zero' initiative. The "safe" component of this campaign is to "focus our intentions and behaviours on consistently striving towards Zero Harm, Zero Loss and Zero Rework." This includes, but is not limited to, focus on zero uncontrolled release of harmful substances to the natural environment.


#### Allocation of net income


The financial statement shows a negative net income of USD 19 978 564 which is proposed covered by other paid in capital.


Bergen, 28.06.2019  
Board of Directors in Trace Invest AS

  
Einar Ytredal  
Member of the board

  
Karl-Johan Gombrii  
Chairman of the board

  
Stein Vidar Håland  
Member of the board

  
Øystein Dalland Kvåle  
Member of the board

  
Trygve Lauvdal  
Member of the board



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US	1st of an 31st of Decem er 0:	6t of ct 31st of Decem er 0:
<b>Ot er d n str t e ost</b>	<b>12 1</b>	<b>1 80</b>
otal cost of sales	6 193 09	
perating profit loss	6 193 09	
n n n o e	101	
n n e enses	101	
Net nter est n o e r o r o ent t es	1 80 8	
E n e oss n	10 2 18	
otal financial items	13 7 755	
et income efore ta es	19 97 56	
T es	8	
et income	19 97 5	
Co er ed ot er d n t	1 8	



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RA V S AS

**US** otr 31 Decem er 0 31 Decem er 0

ASS S

Financial non current assets

In est ent ns s d r es	20	181 10	
Lon ter o ns r o o n es			22 82
<b>Ot er on ter r e e es</b>		<b>11 28</b>	<b>00</b>
<hr/>			
otal financial non current assets	669	91	35

urrent assets

Ot er r e e es	12 8	2	
Re e es on r o o n es			
<b>C s nd s e ents</b>		<b>220 20</b>	
<hr/>			
otal current assets	59	6	36
<hr/>			
otal asset	7	9 756	3 656



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L t e s t o n n n s t t t o n s 20 0 1 1  
otal ot er long term lia ilities 3 0 071 917

S ort term lia ilities  
L t e s t o r o o n e s 1 82 88  
O t e r s o r t e r t e s 12  
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otal e uit and lia il 7 9 756 3 656

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Tr e L d E n r t r ed

ste n nd e



TRACE INVEST AS ANNUAL REPORT 2018

STATEMENT OF FINANCIAL POSITION  
TRACE INVEST AS

USD	Note	31 December 2018	31 December 2017
<b>EQUITY AND LIABILITIES</b>			
Share capital	3, 10	32 307 586	3 656
Other paid in capital	3	272 717 512	-
<b>Total Equity</b>		<b>305 025 098</b>	<b>3 656</b>
<b>Other long-term liabilities</b>			
Liabilities to financial institutions	9	320 071 917	-
<b>Total other long-term liabilities</b>		<b>320 071 917</b>	-
<b>Short-term liabilities</b>			
Liabilities to group companies	6	91 682 886	-
Other short term liabilities	4, 9	12 976 369	-
<b>Total short-term liabilities</b>		<b>104 659 255</b>	-
<b>Total equity and liabilities</b>		<b>729 756 270</b>	<b>3 656</b>

Bergen, 28 June 2019

Karl-Johan Gombrii  
Chairman

Stein Vidar Håland

Trygve Lauvdal

Einar Yrédal

Øystein Dalland Kvåle



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AS FL S A  
RA V S AS

	1 januar 31 Desember 01	6 oktober 01 31 Desember 017
<b>US</b>		
as flo from operating activities		
Net n o e e o r e t e s	1	8
C n e n r r e n t s s e t s		128 1
O t e r n e s t o t s e e t		11 102
et cas flo from operating activities	8	8
as flo from investing activities		
Net n e s t e n t n s s d r e s		20 181 10
L o n t e r r e e e n o t e n t		11 28 00
S o r t e r o n t o r o o n e s		
S o r t e r o n r o r o o n e s		01
L o n t e r o n t o s s d r e s		01 0
et cas flo from investing activities	6 9 96 1	
as flo from financing activities		
In o r o r t o n		
Net s e e t t n r e s e		2 000 00
r d o n o n t e r o n		2 000 000
T r n s t o n o s t r e t e d t o o r r o n s		1 0 10
e t t o S o d n		0 0 8
et cas flo from financing activities	73 5 5 771	3 656
Net n e n s n d s e e n t s		21 2
C s n d s e e n t s 1 1		
as and cas e u i v a l e n t s	37 0	3 656



TRACE INVEST AS

NOTES TO THE FINANCIAL STATEMENT 2018

## NOTE 1: CORPORATE INFORMATION

Trace Invest AS is a Norwegian registered company with subsidiary in Norway. The Company with its subsidiary are part of the Shearwater GeoServices group, with its head office in Bergen.

Trace Invest's main business is investment in companies within the seismic market. In 2018 the Company acquired the shares in the Reflection Marine ASA, see note 4 for more information.

## NOTE 2: ACCOUNTING PRINCIPLES

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. The main asset in the Company is the investment in subsidiaries whose activities are predominantly in USD.

### Classification of assets and liabilities in the balance sheet

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 end of the accounting period are classified as long-term debt. Other liabilities are classified as short-term debt. Next year's instalments on long-term debt are classified as current liabilities in the balance sheet.

### Investments in subsidiaries and associated companies

Investments in subsidiaries and associated companies are valued in accordance with the cost method. If fair value is lower than cost, and the fall in value is not considered to be temporary, the investment will be valued at fair value.

### Cash and bank deposits

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.

### Taxes

Tax expenses are related to profit before tax and are expensed for when they incur. The tax expense consists of tax payable (tax on taxable income for the year) and change in net deferred tax. The tax expense is allocated to ordinary profit and extra-ordinary profit in accordance with the basis for the taxes. Deferred tax liability and deferred tax assets are presented net in the balance sheet. The disclosure of deferred tax benefits on net tax reducing differences and carryforward losses, is based on estimated future earnings.

### 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.

### Cash flow statement

The company's cash flow statement shows the company's 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.

## NOTE 3: EQUITY

USD

	Share capital	Other paid in capital	Total equity
Total Equity as at 1.1.2018	3 656	-	3 656
Capital increase (see note 10)	32 303 930	292 696 076	325 000 006
Net loss for the year	-	-19 978 564	-19 978 564
<b>Total Equity per 31.12.2018</b>	<b>32 307 586</b>	<b>272 717 512</b>	<b>305 025 098</b>



TRACE INVEST AS

NOTES TO THE FINANCIAL STATEMENT 2018

## NOTE 4: INVESTEMENT IN SUBSIDIARIES

On 14 November 2018, Trace Invest AS acquired 100% of the shares in Reflection Marine ASA, the holding company of Schlumberger's marine acquisition segment. Schlumberger announced early 2018 their intention to exit the Marine Seismic industry and started sounding the market for potential buyers. Shearwater and Schlumberger entered into a definitive agreement for Shearwater to acquire the marine seismic acquisition assets and operations of WesternGeco, the geophysical product line of Schlumberger. Following approval from applicable authorities and all conditions present, the deal was closed on 14 November 2018.

With the acquisition and the legacy Shearwater vessels and equipment, the Shearwater Group has the world's largest fleet of high-end seismic vessels and a portfolio of proprietary technologies and software that provide customers with a full-range of geophysical acquisition techniques.

### Purchase considerations (in millions of USD)

Cash paid	600
Trade credit converted into minority interest in Shearwater GeoServices Holding AS	91
Contingent consideration	6
<b>Total purchase consideration</b>	<b>697</b>
Existing loan to subsidiary at time of acquisition	-468
Share of minimum commitment towards purchase price	-26
Acquisition cost	1
<b>Total carrying amount as at 31 December 2018</b>	<b>204</b>

### Minimum commitment

A minimum commitment was included in the agreement for the transaction as part of the consideration. The minimum commitment agreement lasts for two years from the closing of the transaction. Under the minimum commitment the Shearwater group is required to at all times have minimum two seismic acquisition vessels available for Schlumberger. The available vessels may be in the form of "cold stacked" vessels, in which case Shearwater shall make reasonable efforts to minimize time and cost of mobilisation. Schlumberger shall pay as consideration for the reservation of the vessels a total fee of USD 70,000,000. This fee is to be invoiced monthly in arrears.

As of 31 December 2018 the receivable towards Schlumberger is USD 24.1 million. USD 12.8 million has been classified as short-term receivable and the portion related to reservation fee in 2020, USD 11.3 million, has been classified as long-term receivable.

### Contingent consideration

As part of the SPA the parties have agreed to an adjustment in purchase price based on certain criteria in relation to working capital and cash in the Reflection Marine ASA group. A deviation from the set target in this respect will trigger an adjustment, either increasing or decreasing the total purchase consideration. The parties have not concluded on this adjustment, hence the total purchase consideration shown in the table above is subject to change.

COMPANY	OFFICE / JURISDICTION	SHARE-HOLDING	VOTING POWER	CARRYING AMOUNT	RESULT 2018	EQUITY 31.12.2018
Reflection Marine ASA	Bergen/Norway	100 %	100 %	204 181 109	19 124 014	192 972 931
<b>Total</b>				<b>204 181 109</b>	<b>19 124 014</b>	<b>192 972 931</b>

The company is not consolidated in the financial statement of Trace Invest AS as both Trace Invest and Reflection Marine ASA are consolidated under Shearwater GeoServices Holding AS.

## NOTE 5: CASH AND CASH EQUIVALENTS

USD	2018	2017
Restricted cash	-	-
Bank deposits	37 220 209	3 656
<b>Total cash and cash equivalents</b>	<b>37 220 209</b>	<b>3 656</b>



TRACE INVEST AS

NOTES TO THE FINANCIAL STATEMENT 2018

**NOTE 6: INTERCOMPANY RECEIVABLES / LIABILITIES**

USD	2018	2017
Short-term group receivables	9 796 975	-
Long-term group receivables	454 422 826	-
<b>Total group receivables</b>	<b>464 219 801</b>	-
<b>Short-term group liabilities</b>	<b>91 682 886</b>	-

The Company has given short-term funding to its subsidiary to help with liquidity in the start-up phase. Long-term receivable is a loan to Reflection Marine ASA. As part of the process of separating Schlumberger's geophysical product line, loans were given from Schlumberger to Reflection Marine ASA to enable the Reflection Marine group to be established. Trace Invest AS took over the claim towards Reflection Marine ASA as part of the acquisition. Long-term receivables are subject to interest calculation.

Short-term group liabilities in 2018 includes liability to Shearwater GeoServices Holding AS of USD 90.7 million. This has been converted to equity in February 2019 and has not been subject to interest calculation.

**NOTE 7: OTHER ADMINISTRATIVE COST**

USD	2018	2017
Acquisition cost	6 167 646	-
Corporate service fee	13 320	-
Audit and other attestation fees	12 844	-
<b>Total other administrative cost</b>	<b>6 193 809</b>	-

**NOTE 8: TAXES**

USD	2018	2017
<b>Calculation of taxes payable</b>		
Net taxable income for the year	-9 541 038	-
Change in temporary differences	-	-
<b>Total taxable income</b>	<b>-9 541 038</b>	-
Tax rate	23 %	24 %
<b>Tax payable</b>	-	-
<b>Calculation of deferred tax / tax asset</b>		
Interest loss brought forward	-3 445 270	-
Loss carried forward	-9 541 038	-
<b>Basis for deferred tax</b>	<b>-12 986 308</b>	-
Tax rate	22 %	23 %
Deferred tax asset	-2 856 988	-
Of which not booked	2 856 988	-
<b>Deferred tax asset</b>	-	-

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 the figures in the tax note. The amounts have all been translated with the exchange rate at the balance sheet date NOK/USD 0,11509 in 2018.

The company do not expect the company to be able to utilise the deferred tax in the very near future. As such, no deferred tax asset has been booked in 2018.



TRACE INVEST AS

NOTES TO THE FINANCIAL STATEMENT 2018

## NOTE 9: LIABILITIES TO FINANCIAL INSTITUTIONS

The Company's long-term liabilities are summarised as follows at year-end 2018:

	AVERAGE INTEREST RATE 2018	AVERAGE MATURITY	BALANCE SHEET 2018
Mortgage debt with floating interest    Secured	USD LIBOR + 6,5 %	1.9 years	325 000 000
Amortisation effect, mortgage debt			-4 928 083
Accrued interest expenses			3 818 750
<b>Total</b>			<b>323 890 667</b>
		<i>Of which is classified as short-term debt:</i>	<i>3 818 750</i>
		<i>Of which is classified as long-term debt:</i>	<i>320 071 917</i>

Booked value of assets pledged as security for Mortgage debt is USD 204.0 million. In addition all shares held in the Reflection Marine group, including vessels, equipment and machinery, bank deposits and vendor claims are pledged as security.

## NOTE 10: SHAREHOLDER INFORMATION

The shares in Trace Invest AS are held as follows

	Number of shares	Ownership
Shearwater GeoServices Holding AS	2 741 676	100 %

During 2018, the Company issued 2 741 376 new shares at NOK 100 per share through share capital increase. The issuance of new shares was done to facilitate acquisition of Schlumberger's marine seismic acquisition business.

The Company's share capital totals to NOK 274 167 593, with booked value in USD 32 307 586.

### Transactions with related parties:

The company has entered into an agreement with Shearwater GeoServices Norway AS to purchase administrative services. Corporate service fee is USD 12 685 in 2018 (2017: USD 0). Reference is made to note 6 for other transactions with subsidiaries.

As part of the transaction with Schlumberger, the Group will receive a fee of USD 70 million for the reservation of two vessels over a two-year period. As part of the purchase price allocation USD 25.8 million was assigned as a reduction in the purchase price for the shares. As at year end 2018, USD 11.3 million of the minimum commitment is presented as a long-term receivable and USD 12.8 million as a short term receivable. (See note 4)

The Company has also booked USD 5.8 million as contingent liability to Schlumberger. (See note 4)

## NOTE 11: FOREIGN EXCHANGE RATES

The following exchange rates have been used when preparing the financial statement:

CURRENCY	31 DECEMBER 2018	31 DECEMBER 2017	AVERAGE 1 JAN - 31 DEC 2018	AVERAGE 1 JAN - 31 DEC 2017
NOK/USD	0,1151	0,1219	0,1229	0,1210

## NOTE 12: EMPLOYEES

The company has no employees. There are no agreements that give employees or representatives entitlement to subscribe for or purchase or sell shares in the company. There has been no remuneration to general manager or directors of the board.



TRACE INVEST AS

NOTES TO THE FINANCIAL STATEMENT 2018

## NOTE 13: AUDITORS FEE

The company has expensed USD 10 972 excl VAT (2017: USD 0) as remuneration for the auditor this financial year. Other attestation services have been charged with USD 1 872 excl VAT in 2018.

## NOTE 14: GUARANTEES

Shares in subsidiaries are pledged in favour of the bank syndicate.



To the General Meeting of Trace Invest AS

## *Independent Auditor's Report*

### *Report on the Audit of the Financial Statements*

#### *Opinion*

We have audited the financial statements of Trace Invest AS, which comprise the Statement of Financial Position as at 31 December 2018, the income statement 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 accompanying financial statements are prepared in accordance with law and regulations and give a true and fair view of the financial position of the Company as at 31 December 2018, 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.

#### *Basis for Opinion*

We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including 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 we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Other information*

Management is responsible for the other information. The other information comprises information in the annual report, except the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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State authorised public accountants, members of The Norwegian Institute of Public Accountants, and authorised accounting firm



Independent Auditor's Report - Trace Invest AS

*Responsibilities of the Board of Directors for the Financial Statements*

The Board of Directors (management) is responsible for the preparation in accordance with law and regulations, including fair presentation of the financial statements 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.

*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 laws, regulations, and auditing standards and practices generally accepted in Norway, including 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>

*Report on Other Legal and Regulatory Requirements*

*Opinion on the Board of Directors' report*

Based on our audit of the financial statements as described above, it is our opinion that the information presented in the Board of Directors' report concerning the financial statements, the going concern assumption and the proposed allocation of the result is consistent with the financial statements and complies with the law and regulations.



Independent Auditor's Report - Trace Invest AS



*Opinion on Registration and Documentation*

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements Other than Audits or Reviews of Historical Financial Information, it is our opinion that management has fulfilled its duty to produce a proper and clearly set out registration and documentation of the Company's accounting information in accordance with the law and bookkeeping standards and practices generally accepted in Norway.

Bergen, 28 June 2019  
PricewaterhouseCoopers AS

Jon Haugervåg  
State Authorised Public Accountant