



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 914 633 338
Organisasjonsform: Aksjeselskap
Foretaksnavn: SHEARWATER GEOSERVICES NORWAY AS
Forretningsadresse: Damsgårdsveien 135
5160 LAKSEVÅG

Regnskapsår

Årsregnskapets periode: 01.01.2023 - 31.12.2023

Konsern

Morselskap i konsern: Ja
Konsernregnskap lagt ved: 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: 30.06.2024

Grunnlag for avgivelse

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

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

Brønnøysundregistrene, 06.07.2025



Resultatregnskap

Beløp i: USD	Note	2023	2022
RESULTATREGNSKAP			
Inntekter			
Operating revenue	4, 5	251 365 428	112 000 130
Other operating revenue	5	12 980 241	9 726 755
Sum inntekter		264 345 669	121 726 885
Kostnader			
Personell expenses	6, 7	12 907 039	11 960 189
Depreciation	8	80 942	252 936
Cost of sales	5	224 954 864	111 995 084
Administration expenses	7	4 082 020	1 317 564
Sum kostnader		242 024 865	125 525 773
Driftsresultat		22 320 803	-3 798 888
Finansinntekter og finanskostnader			
Renteinntekt fra foretak i samme konsern	5	2 068 656	225 534
Annen renteinntekt		11 916	151 855
Sum finansinntekter		2 080 572	377 389
Rentekostnad til foretak i samme konsern	5	47 736	63 868
Annen rentekostnad		2 901	10 502
Other financial expenses		574 163	250 471
Exchange loss (-) /gain (+)	9	-104 671	-371 367
Sum finanskostnader		520 129	-46 526
Netto finans		1 560 444	423 914
Ordinært resultat før skattekostnad		23 881 247	-3 374 973
Tax expenses	10	5 213 244	
Ordinært resultat etter skattekostnad		18 668 003	-3 374 973
Årsresultat		18 668 003	-3 374 973
Årsresultat etter minoritetsinteresser		18 668 003	-3 374 973



Resultatregnskap

Beløp i: USD	Note	2023	2022
Totalresultat		18 668 003	-3 374 973
Overføringer og disponeringer			
Konsernbidrag		18 483 318	
To other equity		184 685	
From other equity			-3 374 973
Sum overføringer og disponeringer	11	18 668 003	-3 374 973



Balanse

Beløp i: USD	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel	10		
Varige driftsmidler			
Office equipment	8	23 622	104 564
Sum varige driftsmidler		23 622	104 564
Finansielle anleggsmidler			
Investering i datterselskap	12	1 142 053	1 142 053
Lån til foretak i samme konsern	13		
Sum finansielle anleggsmidler		1 142 053	1 142 053
Sum anleggsmidler		1 165 674	1 246 616
Omløpsmidler			
Varer			
Inventory and pre-payments		655 659	8 281 142
Sum varer		655 659	8 281 142
Fordringer			
Accounts receivables		3 040 283	10 365 720
Other short-term receivables		1 261 953	1 437 006
Receivables to group companies	13	89 938 992	40 814 168
Sum fordringer		94 241 228	52 616 894
Bankinnskudd, kontanter og lignende			
Cash and cash equivalents	14	550 601	473 535
Sum bankinnskudd, kontanter og lignende		550 601	473 535
Sum omløpsmidler		95 447 488	61 371 571
SUM EIENDELER		96 613 162	62 618 187



Balanse

Beløp i: USD	Note	2023	2022
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share capital	11, 15	3 480	3 480
Overkurs	11		
Annen innskutt egenkapital	11	29 008 383	29 008 383
Sum innskutt egenkapital		29 011 863	29 011 863
Opptjent egenkapital			
Retained earnings	11	-8 862 762	-9 047 447
Udekket tap	11		
Sum opptjent egenkapital		-8 862 762	-9 047 447
Sum egenkapital		20 149 101	19 964 416
Gjeld			
Langsiktig gjeld			
Utsatt skatt	10		
Tax payable			
Annen langsiktig gjeld			
Sum langsiktig gjeld		0	0
Kortsiktig gjeld			
Leverandørgjeld		3 442 384	4 996 140
Public duties payable		1 013 866	842 682
Liabilities to group companies	13	62 761 104	9 643 511
Other current liabilities		9 246 706	27 171 437
Sum kortsiktig gjeld		76 464 061	42 653 771
Sum gjeld		76 464 061	42 653 771
SUM EGENKAPITAL OG GJELD		96 613 162	62 618 187
POSTER UTENOM BALANSEN			
Garantistillelser	16		



Skattedirektoratet

Saksbehandler Torstein Kinden Helleland	Deres dato 05.12.2017	Vår dato 11.12.2017
Telefon 22078139	Deres referanse Kristian Rådal	Vår referanse 2017/1254176

SHEARWATER GEOSERVICES AS
Postboks 1243, Sentrum
5811 BERGEN

MOTTATT
13 DES. 2017

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk for Shearwater GeoServices Norway AS, org.nr. 914 633 338

Vi viser til deres brev av 5. desember 2017 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for Shearwater GeoServices Norway AS.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering Shearwater GeoServices Norway AS dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen forutsetter at 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

Shearwater GeoServices Holding AS er eid av Shearwater GeoServices Holding AS som har dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk. Shearwater GeoServices Holding AS med datterselskaper tilbyr tjenester innen seismikkvirksomhet internasjonalt. Konsernet operer 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

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Sentralbord
800 80 000
Telefaks
22 17 08 60



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

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

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

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

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Jeanette Munkvold Skovholt
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet

Torstein Kinden Helleland

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer



To the General Meeting of Shearwater Geoservices Norway AS

Independent Auditor's Report

Opinion

We have audited the financial statements of Shearwater Geoservices Norway AS (the Company), which comprise the statement of financial position as at 31 December 2023, 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 2023, and its financial performance for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for Opinion

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

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.

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

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

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.

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



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/revisionsberetninger>

Bergen, 1 July 2024

PricewaterhouseCoopers AS

Robert Lambach

State Authorised Public Accountant

(This document is signed electronically)



 Securely signed with Brevio

Revisjonsberetning

Signers:

Name	Method	Date
Lambach, Robert	BANKID	2024-07-02 17:22

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ANNUAL REPORT 2023

Shearwater Geoservices Norway AS

Damsgårdsveien 135
5160 Laksevåg

Business org.no 914 633 338 MVA

Contents:

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



Shearwater Geoservices Norway AS Board of Directors' Report 2023

Shearwater Geoservices Norway AS corporate office is in Bergen and is part of the Shearwater GeoServices group from 22. December 2016. The company operates within marine acquisition in the seismic market.

Future prospects

The company's operations are exposed to developments in the markets for oil and gas exploration and production. In 2023, global energy markets remained tight as demand continued to recover towards the long-term trend, while several years of under-investment in the oil and gas sector continued to impact supply. Geopolitical conflicts remained an important factor impacting the global economy and underpinning the importance of reliable and affordable energy supply.

As a consequence, oil and gas companies has increased capex budgets for 2024 and investment expectations 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 ocean bottom seismic surveys. Growth opportunities are also emerging with increased investments in new markets such as CCS, offshore wind 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. A growing order book, combined with a strong balance sheet and support from shareholders, provides operational and financial strength for Shearwater to fully capitalise on a market recovery and to expand into energy transition activities.

In 2023, Shearwater has further progressed the fleet renewal strategy with the conversion of the SW Tasman to the first multifunctional deepwater dual ROV OBN deployment vessel with remotely operated vehicles (ROV) to deploy ocean bottom nodes (OBN) onboard. Operational from mid-2023, it enables Shearwater to meet increased ocean bottom seismic demand with in-house capacity independent of the market availability for ROV vessels.

The board would like to emphasise the inherent risk in predicting future events and conditions.

Aspects of 2023

The company has had nine of the group's vessels on hire during parts of the year. The vessels have been hired on time charter and bareboat terms from group companies and Helix Robotics Solutions and have been working on both 3-D, 4-D and node projects in the US, Norway, Denmark, Congo and Brazil.

Profit before tax in 2023 is USD 23.9 mill. compared with USD -3.4 mill. in 2022. Net operating income in 2023 totals to USD 22.3 mill. compared with USD -3.8 mill. in 2022.

In 2023 financial items are positive by USD 1.6 mill. compared to USD 0.4 mill. previous year. The change is mainly due to an increase in intercompany interest income of USD 1.8 mill compared to 2022.

The company's liquidity is USD 0.6 mill. as at 31.12.2023 (2022: USD 0.5 mill.). Cash flow from operating activities in 2023 was positive USD 0.1 mill. (2022: negative USD -5.5 mill.). Cash flow from investment activities was 0.0 in 2023 (2022: USD 5.6 mill.). Net cash flow from financing activities was USD 0.0 mill. (2022: USD 0.0 mill.).

Financial risk

The majority of the company's revenue is in USD. The company's expenses are mainly in USD and NOK. 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 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. Further, laws in some jurisdictions in which the company operates could make collection difficult or time consuming. The company gives due consideration to the credit quality of its potential clients during contract negotiations to minimise the credit risk. Historically, counterparty risk has been satisfactory.

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



Our people

At Shearwater, we are committed to engaging our workforce actively and integrating their interests and views into our business strategy. Shearwater's success is inherently linked to the safety, well-being and satisfaction of our employees, Contractors and non- employees serving on our facilities.

In 2023 our workforce in Norway has continued to enable the continued growth of the Company and ensure that we have the skills and expertise needed across all functions to delivery of our 5-year business strategy.

In Shearwater, being a global company where everyone's opinion matters, we take pride in our diverse workforce. Through our guidelines and policies, we have explicitly stated that we do not tolerate any form of discrimination, bullying, harassment or inappropriate behaviour. Here, we have also stipulated that leaders are expected to ensure all employees receive fair treatment and equal opportunities concerning recruitment, compensation, development, and promotions. Discrimination of any kind is not tolerated. Shearwater has implemented a notification system to support our efforts towards equality and combating discrimination. The system is designed to facilitate a straightforward and secure process for reporting any misconduct, be it breaches of laws, our ethical guidelines, or other internal policies. Additionally, it enables anonymity and is accessible to both our own employees, contracted workforce, and external parties.

At the year-end 2023, the company had 100 employees, representing 16 Nationalities, with the majority being Norwegian, British, Indonesian, Spanish and Trinidadian/Tobagonian. In 2023 the employee group was made up of 69% male and 41% female, a 24% improvement since 2021.

The company had 93 permanent full-time employees, 2 permanent part-time and 5 temporary employees during 2023. The permanent- part-time employees are both men, and none of Shearwater's part-time employees are involuntary. Moreover, we understand the value of part-time work schedules in enhancing overall well-being and work-life integration. We fairly assess all part-time working requests from employees and consult on flexible working options to support them where appropriate. For the temporary contracted employees, 20% were men and 80% were women. 17% of these temporary employees were offered and accepted permanent positions, and of those 17 %, 100% were women.

Work-life dynamic

A healthy work-life dynamic is important at Shearwater. We therefore offer all of our employees parental leave in relation to the birth, adoption or fostering of a child. During 2023, 7 employees were on parental leave, of which 43% were men and 57% were women. On average, the women were on leave for 23.8 weeks, and the men 8.5 weeks.

In 2023 the year end average sick leave was 4.8%, compared to 4.5% in 2022. Effective from January 1st. 2023, the Company expanded the number of available self-certification days from 12 to 24 days and increased the consecutive maximum from 3 to 8 days. The aim is for this to increase the flexibility around short-term sickness absence and decrease the need for Doctor's certification at the employee's own discretion.

Diversity, Equity and Inclusion

In Shearwater, being a global company where everyone's opinion matters, we take pride in our diverse workforce. It represents 70 different nationalities who bring value to our company with their different background and competence when they feel engaged and included.

Leveraging the diversity we have within our workforce and securing engagement from our people for long-term outcomes is the cornerstone of approach to DEI.

In 2023, we successfully conducted access audits of our office located in Bergen. Following the receipt of the audit report, action plans are slated for implementation in 2024. Another pivotal initiative involves fostering visibility and recruitment of students to Shearwater. We have facilitated numerous externships in collaboration with the student organization, Sammen, in Bergen. Moreover, we have intensified our engagement with university events across institutions such as NTNU, HVL, and UiB.

Shearwater Job Grading Structure

Promoting equal opportunities, we successfully launched a Job Grading structure in the company in 2023. Through a systematic evaluation of all roles completed by Managers, with the support of the HR function, we have been able to map all roles within Shearwater to a hierarchy of grades and bands providing visibility of our structure as an organization.

Grades and bands are organized into 'job families' that group positions of similar skills and competence. The evaluation completed considers only the role and not the ability or performance of the person(s) carrying out



the role. This has enabled a structure for ensuring fair and equitable pay, as well as creating international alignment that enables global careers.

Gender Pay Gap Review

Our Approach

Shearwater promotes equal pay for equal work and actively works to ensure that no employee is unlawfully discriminated against in terms of salary, benefits, incentives, or other forms of compensation or remuneration.

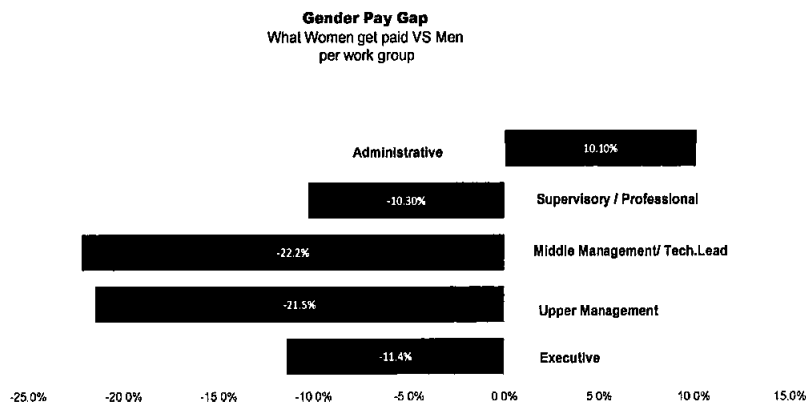
With the grading structure in place, we have been able to conduct both an equal pay and gender pay gap analysis for all permanent Shearwater employees.

Our gender pay gap analysis was measured in groups, created in accordance with our Job Grading structure. For consistency in our reporting, we tried to approach the design of our 2023 employee groupings on the original approach in 2021, however some minor realignments have been made to the groupings that have a small impact on the numbers when comparing year on year.

Our Equal Pay audit provided a deeper insight of our base pay equity through utilising both the job grade and families from our grading structure. Further analysis was conducted where the median gender pay difference of +/-5% was presented.

Our gender pay gap results

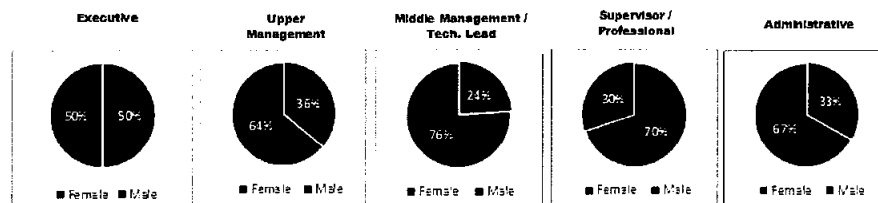
When looking at the total remuneration, female employees earned on average 19% less than male employees earned. This difference is primarily due to a higher proportion of males in certain job families with higher pay, for example technical engineers.



Why we have a gender pay gap

1. Uneven gender representation

In all groupings, except Supervisory & Professional and Executive, the female representation is under 40%. In our Middle Management and Technical Leadership, females account for less than 25% of the population. Increasing our female representation in all levels and across the company is an important factor in improving our gender pay gap.





2. Roles with higher pay are male dominated

The two management levels below our Executive team have a high representation of males. These employee populations include technical skilled STEM roles that have historically been male dominated career paths. These roles also command higher rates of pay vs, the female counterparts at the same management level, who predominately are working in support function roles, where the market pay rate is lower by comparison. Increasing our female representation in STEM positions is one of the most important factors in improving our gender pay gap.

How will we continue to improve?

In 2024, we continue our Ardena mentoring program supporting diversity and inclusion. We have extended the period from six to nine months to bring out the full potential from the program and included additional training mentors and mentees on how to empower inclusive working environments.

This year, the Executive team will define our Talent Philosophy to create clear guidelines for all managers on how we want to manage performance and talent development practices. With our talent principles defined, we will then action adjustments to our existing practices to ensure our approach is aligned to both business strategy and will drive achievement of our DEI targets.

Human and labour rights

Shearwater supports the United Nations Universal Declaration of Human Rights, the United Nations Global Compact, the UK Modern Slavery Act 2015 and the standards advocated by the International Labour Organisation. We comply with the above legislation and principles and adopt them in our agreements with our suppliers. This is also clearly stated in our Code of Conduct.

The Norwegian Transparency Act

Shearwater Geoservices Norway AS is subject to the Norwegian Transparency Act. The company's statement under the Act will be published on www.shearwatergeo.com no later than 30 June 2024, and will be accessible in the footer of the frontpage.

Environment

As part of the Shearwater GeoServices group, management systems are aligned to IOGP guidelines, certified to ISO9001 and compliant with ISO14001 and ISO45001 standards. Shearwater have implemented best-in-class Integrated Management System software to actively facilitate and transparently communicate QHSE compliance. The system's architecture is based on the ISO and IOGP 510 models, and the software is widely used in other industries where compliance to safe working practices is paramount.

The group's fleet of modern seismic vessels provide inherently safe working environments for the crews, with proven seaworthiness and spacious back-deck layouts. The well-tested but seldom-used redundant propulsion systems allow any one of them to be confidently deployed in extreme environments, or in and around existing oilfield infrastructure. The technical capabilities of the vessels provide a cornerstone for safe and efficient surveys.

Marine seismic acquisition projects can be exposed to unique and variable hazards depending upon where in the world prospects are located. Shearwater's extensive experience within the industry enables the group to thoroughly identify potential hazards, accurately document their effects and secure the appropriate resources to mitigate the potential risks to acceptable levels. The group promotes the use of proactive, leading indicators that are specifically configured to reflect the level of QHSE effort from the workforce. Calculation and publication of such indicators are used, for example, to actively monitor trends in the safety culture of each crew over the duration of a project, or between vessels. Continually improving upon the performance of these indicators drives the group's ongoing effort towards our goal of zero loss, zero harm and zero rework. Shearwater is a Governing Member of IAGC.

Going concern

Based on the above report of profit and loss for the company, the Board of Directors confirms that the financial statements for 2023 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.

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.

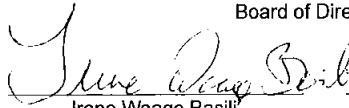
Allocation of net income

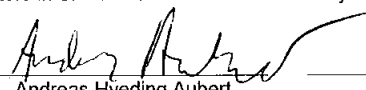
The financial statement shows a net income of USD 18,668,003, in which USD 18,483,318 is proposed submitted as group contribution and USD 184,685 is proposed allocated to retained earnings.



Bergen, 30.06.2024

Board of Directors in Shearwater Geoservices Norway AS


Irene Waage Basili
Chairman of the board


Andreas Hveding Aubert
Member of the board

Peter Hooper
General manager

**Shearwater Geoservices Norway AS**
Profit and Loss Account (in USD)

OPERATING REVENUE AND EXPENSES	NOTE	2023	2022
Operating revenue	4, 5	251,365,428	112,000,130
Other operating revenue	5	12,980,241	9,726,755
Total operating revenue		264,345,669	121,726,885
Cost of sales	5	224,954,864	111,995,084
Personell expenses	6, 7	12,907,039	11,960,189
Administration expenses	7	4,082,020	1,317,564
Depreciation	8	80,942	252,936
Total operating expenses		242,024,865	125,525,773
Net operating income		22,320,803	-3,798,888
FINANCIAL ITEMS			
Interest income from group entities	5	2,068,656	225,534
Other interest income		11,916	151,855
Interest cost to group entities	5	47,736	63,868
Interest expenses		2,901	10,502
Other financial expenses		574,163	250,471
Exchange loss (-) /gain (+)	9	104,671	371,367
Net financial income and expenses		1,560,444	423,914
Operating result before tax		23,881,247	-3,374,973
Tax expenses	10	5,213,244	0
Net income		18,668,003	-3,374,973
ALLOCATION OF NET INCOME			
Submitted Group contribution (after tax)		-18,483,318	0
To other equity		184,685	0
From other equity		0	3,374,973
Total allocation	11	18,668,003	-3,374,973



Shearwater Geoservices Norway AS
Statement of Financial Position (in USD)

ASSETS	NOTE	2023	2022
NON-CURRENT ASSETS			
PROPERTY, PLANT AND EQUIPMENT			
Office equipment	8	23,622	104,564
Total property, plant and equipment		23,622	104,564
NON-CURRENT FINANCIAL ASSETS			
Investments in subsidiaries	12	1,142,053	1,142,053
Total non-current financial assets		1,142,053	1,142,053
Total non-current assets		1,165,674	1,246,616
CURRENT ASSETS			
Inventory and pre-payments		655,659	8,281,142
DEBTORS			
Accounts receivables		3,040,283	10,365,720
Other short-term receivables		1,261,953	1,437,006
Receivables to group companies	13	89,938,992	40,814,168
Total receivables		94,241,228	52,616,894
Cash and cash equivalents	14	550,601	473,535
Total current assets		95,447,488	61,371,571
Total assets		96,613,162	62,618,187



Shearwater Geoservices Norway AS
Statement of Financial Position (in USD)

EQUITY AND LIABILITIES	NOTE	2023	2022
PAID-IN CAPITAL			
Share capital	11, 15	3,480	3,480
Other paid in capital	11	29,008,383	29,008,383
Total paid-up equity		29,011,863	29,011,863
RETAINED EARNINGS			
Retained earnings	11	-8,862,762	-9,047,447
Total retained earnings		-8,862,762	-9,047,447
Total equity		20,149,101	19,964,416
LIABILITIES			
CURRENT LIABILITIES			
Trade payables		3,442,384	4,996,140
Public duties payable		1,013,866	842,682
Liabilities to group companies	13	62,761,104	9,643,511
Other current liabilities		9,246,706	27,171,437
Total current liabilities		76,464,061	42,653,771
Total liabilities		76,464,061	42,653,771
Total equity and liabilities		96,613,162	62,618,187

Bergen, 30.06.2024

Irene Waage Basili
Chairman of the boardAndreas Hveding Albert
Member of the boardPeter Allan Hooper
General Manager



Shearwater GeoServices Norway AS
Cash Flow Statement (in USD)

	NOTE	2023	2022
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before tax		23,881,247	-3,374,973
Depreciation and write-down	8	80,942	252,936
Change in inventories		7,625,482	-4,981,296
Change in accounts receivables /payables		5,771,680	-3,294,201
Change in intercompany balances	13	-19,703,792	-15,111,598
Change in other current assets / liabilities		-17,578,495	20,987,089
Net cash flow from operating activities		77,065	-5,522,043
CASH FLOW FROM INVESTING ACTIVITIES			
Investment in subsidiaries	12	0	651,775
Payments from subsidiaries	13	0	6,208,730
Net cash flow from investing activities		0	5,556,955
Net increase in cash and cash equivalents		77,065	34,912
Cash and cash equivalents at start of period		473,535	438,623
Cash and cash equivalents at end of period	14	550,601	473,535



Note 1 - Accounting principles

Shearwater GeoServices Norway AS is a Norwegian registered company with corporate office in Bergen. The company's main focus is to provide geophysical services to the oil- and gas industry, as well as investments in companies related to this business.

The company is part of the Shearwater GeoServices group since 22. December 2016. The Shearwater head office is in 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.

Processing

The company performs processing services for specific customers. Sales of services under processing contracts are recognised in the accounting period in which the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided.

Exclusive contracts

The company performs seismic services for specific customers under exclusive contracts. Sales of services under contracts are recognised in the accounting period in which the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided.

Mobilisation revenue and cost

Mobilisation revenue and the related mobilisation costs relates to moving the seismic vessel and its crew from one location to the location specified by the contract. Such cost includes in the Multi-Client survey or exclusive contract with which the costs are associated. The mobilisation costs related to Multi-Client survey are capitalised as a part of the Multi-Client library as mentioned. Steaming costs on exclusive surveys are deferred and charged to expense based upon the percentage of completion of the project. The estimated probable future economic inflows are documented at inception and cover the costs capitalised or deferred. If the projects are not able to cover all of the costs which could be capitalised or deferred then only those costs that are recoverable are capitalised/deferred.

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.

Receivables

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



Cash and cash equivalents

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. The company participates in a shared group bank account scheme. Overdraft is presented as a liabilities to group companies..

Investments in subsidiaries

Investments in subsidiaries 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.

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 assets are not recognized in the balance sheet.

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.

Contingencies

Contingent losses are recognized 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 recognized but disclosed in the annual report or in the accompanying notes.



Note 2 - Financial risk

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

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 exposure to credit risk as customers may be similarly affected by prolonged changes in economic and industry conditions. Further, laws in some jurisdictions in which the company operates could make collection difficult or time consuming. The company gives due consideration to the credit quality of its potential clients during contract negotiations to minimise the credit risk. Historically, counterparty risk has been satisfactory.

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

Note 3 - Foreign exchange rates

CURRENCY	31.12.2023	31.12.2022	AVERAGE 2023	AVERAGE 2022
NOK/USD	0.0983	0.1014	0.0947	0.1039

Note 4 - Operating revenue

Operating revenue both in 2023 and 2022 is related to the seismic market and mainly marine acquisition. The company operates worldwide and revenue in 2023 and 2022 is distributed between geographical regions as presented below.

BY AREA	2023	2022
Europe, Africa and Middle East	127,883,534	84,409,583
North and South America	123,481,894	27,590,547
Total operating revenue	251,365,428	112,000,130



Shearwater Geoservices Norway AS

Notes to the financial statement 2023

Note 5 - Transactions with related parties

RELATED PARTY	RELATION
Shearwater GeoServices AS	Parent company
Reflection Marine UK Ltd	Sister company
Reflection Marine Norge AS	Sister company
Shearwater GeoServices Assets V AS	Sister company
Geophysical Resources Ltd PTE	Sister company
Shearwater GeoServices Nederland B.V.	Sister company
Shearwater GeoServices Ltd	Sister company

INTER COMPANY REVENUES IN 2023:		
TRANSACTION	RELATED PARTY	AMOUNT
Corporate services income	Multiple group companies	10,886,190
Hire of personnel	Reflection Marine UK Ltd	998,166
Hire of personnel	Reflection Marine Norge AS	178,146
Outgoing recharge of operational costs	Multiple group companies	34,334,247
Interest income	Multiple group companies	2,068,656
Total		48,465,405

INTER COMPANY COST IN 2023:		
TRANSACTION	RELATED PARTY	AMOUNT
TC hire	Shearwater GeoServices Assets V AS	87,036,202
BB hire	Shearwater GeoServices Assets V AS	11,803,743
Hire of personnel	Geophysical Resources Ltd PTE	9,307,617
Hire of personnel	Shearwater GeoServices Nederland B.V.	61,211
Processing services	Shearwater GeoServices Ltd	2,893,303
Corporate service cost	Multiple group companies	5,405,411
Incoming recharge of operational costs	Multiple group companies	27,800,820
Interest cost	Shearwater GeoServices AS	47,736
Total		144,356,042

Note 6 - Pensions

Defined contribution plan

The contributions in 2023 have been provided to pension plans covering 93 employees at the end of the year (2022: 83 employees). The pension premium is recognised as an expense the year that it falls due and amounts to USD 676,076 for 2023 (2022: USD 682,750).



Note 7 - Salary and personnel expense

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

SALARY AND BENEFITS COST (USD 1000)	2023	2022
Salary cost	10,251	8,485
Social security	1,692	1,340
Pension and insurance cost	676	683
Other benefits	288	1,452
Total salary and benefits cost	12,907	11,960

NUMBER OF EMPLOYEES AS OF YEAR END:

Office employees	93	83
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The increase in salary and benefits costs is mainly due to an increase in personnel during the year.

There has been no remuneration to the board of directors during the year

Remuneration for the managing director is as follows

(USD 1000)	2023	2022
Salary	382	385
Bonus	92	0
Pension	19	21
Other benefits	4	4
Total remuneration	498	410

Auditor's fee

Auditor's fee in 2023 is related to statutory audit USD 29,070 and USD 0 for other services. In 2022 the auditor's fee was related to statutory audit USD 33,570 and USD 1,372 for other services. The amount is excluding VAT.

Note 8 - Office equipment

COST:	OFFICE EQUIPMENT
Acquisition cost at 1.1	1,605,147
Additions in the period	0
Acquisition cost at 31.12.	1,605,147
Accumulated depreciation:	
Accumulated depreciation at 1.1.	1,500,583
Depreciation for the period	80,942
Accumulated depreciation at 31.12.	1,581,525
Carrying amount as at 31.12	23,622

Office equipment is depreciated over three years on a straight line basis



Shearwater Geoservices Norway AS

Notes to the financial statement 2023

Note 9 - Exchange loss / gain

EXCHANGE LOSS / GAIN	2023	2022
Exchange loss	1,252,251	1,383,366
Exchange gain	-1,356,922	-1,754,733
Total	-104,671	-371,367

Note 10 - Taxes

TAXES IN PROFIT AND LOSS	2023	2022
Tax payable on group contribution	5,213,244	0
Change in deferred tax	0	0
Tax expenses	5,213,244	0

Taxable income

Net income before tax	24,380,629	-946,873
Permanent differences	145,700	82,528
Change in temporary differences	-31,242	148,099
Losses brought forward	-798,525	0
Group contribution	-23,696,561	0
Taxable income	0	-716,246

Deferred tax assets/liabilities

Fixed assets	-328,268	-371,001
Interest loss brought forward	-941,511	-971,608
Losses brought forward	0	-824,051
Basis for calculation of deferred tax	-1,269,779	-2,166,660
Deferred tax assets	-279,351	-476,665
Not recognised tax assets	279,351	476,665
Deferred tax / deferred tax assets	0	0

Tax rate for tax payable	22%	22%
Tax rate deferred tax 2023	22%	22%
Tax rate deferred tax 2024	22%	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 the figures in the tax note. The amounts have all been translated with the exchange rate at the balance sheet date NOK/USD 0.0983 in 2023 (NOK/USD 0.1014 in 2022).

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 asset in the balance sheet.

Note 11 - Equity

	SHARE CAPITAL	OTHER PAID IN CAPITAL	RETAINED EARNINGS	TOTAL EQUITY
Equity as at 01.01.	3,480	29,008,383	-9,047,447	19,964,416
Group contribution submitted, net of tax			-18,483,318	-18,483,318
Profit for the year			18,668,003	18,668,003
Equity as at 31.12.	3,480	29,008,383	-8,862,762	20,149,101



Shearwater Geoservices Norway AS

Notes to the financial statement 2023

Note 12 - Investment in subsidiaries and associated companies

COMPANY	OWNERSHIP	BOOK VALUE	NET PROFIT 2023	EQUITY 31.12.2023
Shearwater GeoServices Do Brazil Ltda	99%	488,500	-6,458,749	-15,210,737
Shearwater Geoservices India	26%	653,553	-676,396	3,825,030
Total		1,142,053		

(Profit + / loss -)

Shearwater GeoServices Ltd, Shearwater GeoServices Do Brazil Ltda and Shearwater Geoservices India are not consolidated in the financial statement of Shearwater GeoServices Norway AS being a sub-group of the group Shearwater GeoServices Holding AS.

Shearwater Geoservices India Private Limited is owned 74% by Shearwater GeoServices Ltd, Shearwater GeoServices Do Brazil Ltda is owned 1% by Shearwater GeoServices Ltd.

Note 13 - Intercompany balances

RECEIVABLES	2023	2022
Accounts receivable	27,829,569	10,837,992
Cash pool	62,109,423	29,976,177
Total	89,938,992	40,814,168

LIABILITIES	2023	2022
Other short term liabilities	62,039,349	7,106,579
Cash pool	721,755	2,536,932
Total	62,761,104	9,643,511

Note 14 - Cash and cash equivalents

Cash held for employee tax payments totals MUSD 0.6 as at 31.12.2023.

The entity is part of a group account scheme. Overdraft in the group account scheme is presented as liabilities to group companies. Positive balances in the group account scheme is presented as receivables to group companies.

Note 15 - Share capital

The company's share capital consists of 30 shares at NOK 1 000, a total of NOK 30 000. Book value is USD 3,480.

Shearwater GeoServices AS owns 100% of the shares.

Shearwater GeoServices Holding AS prepares consolidated financial statements where Shearwater Geoservices Norway AS is included. The consolidated financial statements are available on www.shearwatergeo.com.



Note 16 - Subsequent events

There has been no significant events or transactions after the reporting period that needs to be disclosed in the financial statements.