Brønnøysundregistrene

ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2024 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	927 002 264
Organisasjonsform:	Allmennaksjeselskap
Foretaksnavn:	GENERAL OCEANS ASA
Forretningsadresse:	Vangkroken 2 1351 RUD

Regnskapsår

Årsregnskapets periode:	01.01.2024 - 31.12.2024

Konsern

Morselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

Regnskapsregler

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

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Terje Standal
Dato for fastsettelse av årsregnskapet:	30.04.2025

Grunnlag for avgivelse

År 2024: Årsregnskapet er elektronisk innlevert
År 2023: Tall er hentet fra elektronisk innlevert årsregnskap fra 2024

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, 16.04.2026

Resultatregnskap

Beløp i: NOK	Note	2024	2023
RESULTATREGNSKAP			
Inntekter			
Other income		24 442 108	20 984 072
Sum inntekter		**24 442 108**	**20 984 072**
Kostnader			
Employee benefits expense	2	1 232 280	1 348 282
Other expenses		23 588 856	19 076 519
Sum kostnader		**24 821 136**	**20 424 801**
Driftsresultat		**-379 028**	**559 271**
Finansinntekter og finanskostnader			
Income from subsidiaries		32 807 307	98 855 124
Annen renteinntekt		2 537 700	425 493
Other financial income			5 200 630
Sum finansinntekter		**35 345 007**	**104 481 247**
Writ-down of other financial fixed assets			82 000 000
Annen rentekostnad		9 537 935	15 714 965
Other financial expenses		7 806 753	1 683
Sum finanskostnader		**17 344 688**	**97 716 648**
Netto finans		**18 000 319**	**6 764 599**
Resultat før skattekostnad		**17 621 291**	**7 323 870**
Tax expense	3	-3 323 845	2 347 875
Årsresultat		**20 945 136**	**4 975 995**
Årsresultat etter minoritetsinteresser		**20 945 136**	**4 975 995**
Overføringer og disponeringer			
Ordinært utbytte		40 000 000	
Tilleggsutbytte		10 000 000	
Other equity			4 975 995

Resultatregnskap

Beløp i: NOK	Note	2024	2023
Transferred from other equity		-29 054 864	
Sum overføringer og disponeringer		**20 945 136**	**4 975 995**

Balanse

Beløp i: NOK	Note	2024	2023
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel	3	1 151 871	
Sum immaterielle eiendeler		**1 151 871**	
Finansielle anleggsmidler			
Investering i datterselskap	4	468 611 893	468 445 344
Sum finansielle anleggsmidler		**468 611 893**	**468 445 344**
Sum anleggsmidler		**469 763 764**	**468 445 344**
Omløpsmidler			
Varer			
Fordringer			
Accounts receivables		2 000 578	2 385 093
Other short-term receivables		51 398	68 204
Konsernfordringer	5	180 822 698	139 475 713
Sum fordringer		**182 874 674**	**141 929 010**
Bankinnskudd, kontanter og lignende			
Bank deposits, cash and cash equivalents		30 139 668	32 099 399
Sum bankinnskudd, kontanter og lignende		**30 139 668**	**32 099 399**
Sum omløpsmidler		**213 014 342**	**174 028 409**
SUM EIENDELER		**682 778 106**	**642 473 753**
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share capital	6	5 614 526	5 569 960
Overkurs		451 771 814	510 114 893

Balanse

Beløp i: NOK	Note	2024	2023
Sum innskutt egenkapital		**457 386 340**	**515 684 853**
Opptjent egenkapital			
Other equity			-43 299 884
Sum opptjent egenkapital			**-43 299 884**
Sum egenkapital	7	**457 386 340**	**472 384 969**
Gjeld			
Langsiktig gjeld			
Utsatt skatt	3		2 171 974
Sum avsetninger for forpliktelser			**2 171 974**
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner	8	182 662 122	139 313 002
Sum annen langsiktig gjeld		**182 662 122**	**139 313 002**
Sum langsiktig gjeld		**182 662 122**	**141 484 976**
Kortsiktig gjeld			
Leverandørgjeld		1 115 063	1 556 133
Public duties payable		32 626	29 866
Utbytte		40 000 000	
Kortsiktig konserngjeld	5	30 459	25 437 370
Other current liabilities		1 551 496	1 580 439
Sum kortsiktig gjeld		**42 729 644**	**28 603 808**
Sum gjeld		**225 391 766**	**170 088 784**
SUM EGENKAPITAL OG GJELD		**682 778 106**	**642 473 753**

Konsernets resultatregnskap

Beløp i: NOK	Note	2024	2023
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt		957 068 000	808 769 000
Annen driftsinntekt		4 406 000	7 209 000
Sum inntekter		**961 474 000**	**815 978 000**
Kostnader			
Varekostnad		319 815 000	247 986 000
Lønnskostnad		371 141 000	278 114 000
Avskrivning på varige driftsmidler og immaterielle eiendeler		59 385 000	49 047 000
Nedskrivning av varige driftsmidler og immaterielle eiendeler			117 321 000
Annen driftskostnad		142 962 000	162 762 000
Sum kostnader		**893 303 000**	**855 230 000**
Driftsresultat		**68 171 000**	**-39 252 000**
Finansinntekter og finanskostnader			
Annen renteinntekt		6 544 000	3 905 000
Annen finansinntekt		34 684 000	19 120 000
Sum finansinntekter		**41 228 000**	**23 025 000**
Annen rentekostnad		12 977 000	19 392 000
Anna finanskost		33 983 000	16 475 000
Andre finanskostn		1 782 000	3 392 000
Sum finanskostnader		**48 742 000**	**39 259 000**
Netto finans		**-7 514 000**	**-16 234 000**
Resultat før skattekostnad		**60 657 000**	**-55 486 000**
Skattekostnad		21 475 000	17 039 000
Årsresultat		**39 182 000**	**-72 525 000**
Andre resultatkomponenter for IFRS-foretak		49 870 000	25 740 000
Sum resultatkomponenter for IFRS-foretak		49 870 000	25 740 000
Totalresultat		**89 052 000**	**-46 785 000**

Konsernets resultatregnskap

Beløp i: NOK	Note	2024	2023

Konsernets balanse

Beløp i: NOK	Note	2024	2023
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utvikling		4 418 000	4 108 000
Konsesjoner, patenter, lisenser, varemerker og lignende rettigheter		284 647 000	260 244 000
Utsatt skattefordel		24 122 000	7 362 000
Goodwill		116 262 000	79 609 000
Sum immaterielle eiendeler		**429 449 000**	**351 323 000**
Varige driftsmidler			
Tomter, bygninger og annen fast eiendom		117 011 000	107 104 000
Maskiner og anlegg		45 397 000	38 584 000
Driftsløsøre, inventar, verktøy, kontormaskiner og lignende		16 039 000	13 595 000
Sum varige driftsmidler		**178 447 000**	**159 283 000**
Sum anleggsmidler		**607 896 000**	**510 606 000**
Omløpsmidler			
Varer			
Varer		234 534 000	205 744 000
Sum varer		**234 534 000**	**205 744 000**
Fordringer			
Kundefordringer		188 412 000	153 401 000
Andre fordringer		3 787 000	4 075 000
Sum fordringer		**192 199 000**	**157 476 000**
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende		281 632 000	172 652 000
Sum bankinnskudd, kontanter og lignende		**281 632 000**	**172 652 000**
Sum omløpsmidler		**708 365 000**	**535 872 000**
SUM EIENDELER		**1 316 261 000**	**1 046 478 000**

Konsernets balanse

Beløp i: NOK	Note	2024	2023
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital		5 615 000	5 570 000
Overkurs		549 127 000	535 115 000
Sum innskutt egenkapital		**554 742 000**	**540 685 000**
Opptjent egenkapital			
Annen egenkapital		163 647 000	84 595 000
Sum opptjent egenkapital		**163 647 000**	**84 595 000**
Sum egenkapital		**718 389 000**	**625 280 000**
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner		115 689 000	193 667 000
Øvrig langsiktig gjeld		55 793 000	46 450 000
Sum annen langsiktig gjeld		**171 482 000**	**240 117 000**
Sum langsiktig gjeld		**171 482 000**	**240 117 000**
Kortsiktig gjeld			
Gjeld til kredittinstitusjoner		159 542 000	27 301 000
Betalbar skatt		33 015 000	17 972 000
Annen kortsiktig gjeld		233 833 000	135 808 000
Sum kortsiktig gjeld		**426 390 000**	**181 081 000**
Sum gjeld		**597 872 000**	**421 198 000**
SUM EGENKAPITAL OG GJELD		**1 316 261 000**	**1 046 478 000**

Brønnøysundregistrene

ÅRSREGNSKAP FOR REGNSKAPSÅRET 2024 - GENERELL INFORMASJON

Journalnummer:	2025 695663

Enheten

Organisasjonsnummer:	927 002 264
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	GENERAL OCEANS AS
Forretningsadresse:	Vangkroken 2 1351 RUD

Regnskapsår

Årsregnskapets periode:	01.01.2024 - 31.12.2024

Konsern

Morselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

Regnskapsregler

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

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Terje Standal
Dato for fastsettelse av årsregnskapet:	30.04.2025

Revisjon

Årsregnskapet er utarbeidet av ekstern autorisert regnskapsfører:	Ja
Ekstern autorisert regnskapsfører har i løpet av regnskapsåret bistått ved den løpende regnskapsføringen eller utført andre tjenester for selskapet enn å utarbeide årsregnskapet:	Ja

Grunnlag for avgivelse

År 2024: Årsregnskap er elektronisk innlevert.
År 2023: Tall er hentet fra elektronisk innlevert årsregnskap fra 2024.

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, 31.07.2025

Brønnøysundregistrene
Postadresse: Postboks 900, 8910 Brønnøysund
Telefon: 75 00 75 00
E-post: firmapost@brreg.no Internett: www.brreg.no
Organisasjonsnummer: 974 760 673

Organisasjonsnr: 927 002 264
GENERAL OCEANS AS

RESULTATREGNSKAP

Beløp i: NOK	Note	2024	2023
RESULTATREGNSKAP			
Inntekter			
Other income		24 442 108	20 984 072
Sum inntekter		**24 442 108**	**20 984 072**
Kostnader			
Employee benefits expense	2	1 232 280	1 348 282
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Annen renteinntekt		2 537 700	425 493
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Årsresultat etter minoritetsinteresser		**20 945 136**	**4 975 995**
Overføringer og disponeringer			
Ordinært utbytte		40 000 000	
Tilleggsutbytte		10 000 000	
Other equity			4 975 995
Transferred from other equity		-29 054 864	
Sum overføringer og disponeringer		**20 945 136**	**4 975 995**

Organisasjonsnr: 927 002 264
GENERAL OCEANS AS

BALANSE

Beløp i: NOK	Note	2024	2023
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel	3	1 151 871	
Sum immaterielle eiendeler		**1 151 871**	
Finansielle anleggsmidler			
Investering i datterselskap	4	468 611 893	468 445 344
Sum finansielle anleggsmidler		**468 611 893**	**468 445 344**
Sum anleggsmidler		**469 763 764**	**468 445 344**
Omløpsmidler			
Varer			
Fordringer			
Accounts receivables		2 000 578	2 385 093
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SUM EIENDELER		**682 778 106**	**642 473 753**
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share capital	6	5 614 526	5 569 960
Overkurs		451 771 814	510 114 893
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Opptjent egenkapital			
Other equity			-43 299 884
Sum opptjent egenkapital			**-43 299 884**
Sum egenkapital	7	**457 386 340**	**472 384 969**

Gjeld			
Langsiktig gjeld			
Utsatt skatt	3		2 171 974
Sum avsetninger for forpliktelser			**2 171 974**
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner	8	182 662 122	139 313 002
Sum annen langsiktig gjeld		**182 662 122**	**139 313 002**
Sum langsiktig gjeld		**182 662 122**	**141 484 976**
Kortsiktig gjeld			
Leverandørgjeld		1 115 063	1 556 133
Public duties payable		32 626	29 866
Utbytte		40 000 000	
Kortsiktig konserngjeld	5	30 459	25 437 370
Other current liabilities		1 551 496	1 580 439
Sum kortsiktig gjeld		**42 729 644**	**28 603 808**
Sum gjeld		**225 391 766**	**170 088 784**
SUM EGENKAPITAL OG GJELD		**682 778 106**	**642 473 753**

Organisasjonsnr: 927 002 264
GENERAL OCEANS AS

KONSERNRESULTATREGNSKAP

Beløp i: NOK	Note	2024	2023
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt		957 068 000	808 769 000
Annen driftsinntekt		4 406 000	7 209 000
Sum inntekter		**961 474 000**	**815 978 000**
Kostnader			
Varekostnad		319 815 000	247 986 000
Lønnskostnad		371 141 000	278 114 000
Avskrivning på varige driftsmidler og immaterielle eiendeler		59 385 000	49 047 000
Nedskrivning av varige driftsmidler og immaterielle eiendeler			117 321 000
Annen driftskostnad		142 962 000	162 762 000
Sum kostnader		**893 303 000**	**855 230 000**
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Finansinntekter og finanskostnader			
Annen renteinntekt		6 544 000	3 905 000
Annen finansinntekt		34 684 000	19 120 000
Sum finansinntekter		**41 228 000**	**23 025 000**
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Anna finanskost		33 983 000	16 475 000
Andre finanskostn		1 782 000	3 392 000
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Netto finans		**-7 514 000**	**-16 234 000**
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Skattekostnad		21 475 000	17 039 000
Årsresultat		**39 182 000**	**-72 525 000**
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Sum resultatkomponenter for IFRS-foretak		49 870 000	25 740 000
Totalresultat		**89 052 000**	**-46 785 000**

Organisasjonsnr: 927 002 264
GENERAL OCEANS AS

KONSERNBALANSE

Beløp i: NOK	Note	2024	2023
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utvikling		4 418 000	4 108 000
Konsesjoner, patenter, lisenser, varemerker og lignende rettigheter		284 647 000	260 244 000
Utsatt skattefordel		24 122 000	7 362 000
Goodwill		116 262 000	79 609 000
Sum immaterielle eiendeler		**429 449 000**	**351 323 000**
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Tomter, bygninger og annen fast eiendom		117 011 000	107 104 000
Maskiner og anlegg		45 397 000	38 584 000
Driftsløsøre, inventar, verktøy, kontormaskiner og lignende		16 039 000	13 595 000
Sum varige driftsmidler		**178 447 000**	**159 283 000**
Sum anleggsmidler		**607 896 000**	**510 606 000**
Omløpsmidler			
Varer			
Varer		234 534 000	205 744 000
Sum varer		**234 534 000**	**205 744 000**
Fordringer			
Kundefordringer		188 412 000	153 401 000
Andre fordringer		3 787 000	4 075 000
Sum fordringer		**192 199 000**	**157 476 000**
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende		281 632 000	172 652 000
Sum bankinnskudd, kontanter og lignende		**281 632 000**	**172 652 000**
Sum omløpsmidler		**708 365 000**	**535 872 000**
SUM EIENDELER		**1 316 261 000**	**1 046 478 000**

BALANSE - EGENKAPITAL OG GJELD

Egenkapital
Innskutt egenkapital

Selskapskapital	5 615 000	5 570 000
Overkurs	549 127 000	535 115 000
Sum innskutt egenkapital	**554 742 000**	**540 685 000**
Opptjent egenkapital		
Annen egenkapital	163 647 000	84 595 000
Sum opptjent egenkapital	**163 647 000**	**84 595 000**
Sum egenkapital	**718 389 000**	**625 280 000**
Gjeld		
Langsiktig gjeld		
Annen langsiktig gjeld		
Gjeld til kredittinstitusjoner	115 689 000	193 667 000
Øvrig langsiktig gjeld	55 793 000	46 450 000
Sum annen langsiktig gjeld	**171 482 000**	**240 117 000**
Sum langsiktig gjeld	**171 482 000**	**240 117 000**
Kortsiktig gjeld		
Gjeld til kredittinstitusjoner	159 542 000	27 301 000
Betalbar skatt	33 015 000	17 972 000
Annen kortsiktig gjeld	233 833 000	135 808 000
Sum kortsiktig gjeld	**426 390 000**	**181 081 000**
Sum gjeld	**597 872 000**	**421 198 000**
SUM EGENKAPITAL OG GJELD	**1 316 261 000**	**1 046 478 000**

Organisasjonsnr: 927 002 264
GENERAL OCEANS AS

NOTEOPPLYSNINGER - SELSKAP

- alle poster oppgitt i hele tall

Note

Antall årsverk i regnskapsåret
1.00

Sum	Beløp

Balanseført verdi 31.12.	Varige driftsmidler	Immaterielle eiend.

Konsernregnskap

Morselskapet sitt navn

Forretningskontor for morselskapet

Begrunnelse for at datterselskap er utelatt fra konsolideringen

Samlet beløp - tilknyttet selskap	Årets	Fjorårets

Samlet beløp - foretak i samme konsern	Årets	Fjorårets

Samlet beløp - foretak i samme konsern	Årets	Fjorårets

Samlet beløp - felles kontrollert virksomhet	Årets	Fjorårets

Pantstillelse	Beløp

Beholdning av egne aksjer	Antall	Pålydende	Andel av aksjek.

Organisasjonsnr: 927 002 264
GENERAL OCEANS AS

NOTEOPPLYSNINGER - KONSERN

- alle poster oppgitt i hele tall

Skatteetaten

Vår dato	Din/Deres dato	Saksbehandler
30.03.2022	16.03.2022	Lars Waaltorp
800 80 000 Skatteetaten.no	Din/Deres referanse	Telefon 90833418
Org.nr 974761076	Vår referanse 2022/5280357	Postadresse Postboks 9200 Grønland 0134 OSLO

BDO AS
Postboks 1704 Vika
0121 OSLO

Att. Tom Eklund-Aarlia

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk for General Oceans AS, org.nr. 927 002 264

Vi viser til deres brev av 16. mars 2022 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk for General Oceans AS. Søknaden ble sendt til Skattedirektoratet. Skattedirektoratets myndighet til å treffe enkeltvedtak etter regnskapsloven § 3-4 tredje ledd ble delegert til skattekontoret med virkning fra 1. juni 2019.

Skattekontoret gir på bakgrunn av en konkret helhetsvurdering General Oceans AS dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen gjelder så lenge opplysningene som danner grunnlaget for vedtaket ikke endres vesentlig.

Kopi av dette brevet må sendes til Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Den regnskapspliktige må selv dokumentere ved dette brev at tillatelse er gitt.

Bakgrunn
General Oceans AS er hovedsakelig eid av norske og utenlandske profesjonelle eiere. Selskapet driver virksomhet innen havteknologi. Selskapet opererer internasjonalt og om lag 93 % av salgsinntektene relaterer seg ved utgangen av 2021 til internasjonale kunder. Selskapet har utenlandske styremedlemmer.

Skattekontorets 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 mv., 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 skattekontorets 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 skattekontoret lagt særlig vekt på at selskapet hovedsakelig har norske og utenlandske profesjonelle eiere. Videre er det vektlagt at selskapet driver virksomhet i en bransje der alle sentrale aktører behersker og benytter engelsk.

Vennligst oppgi vår referanse ved henvendelse i saken.

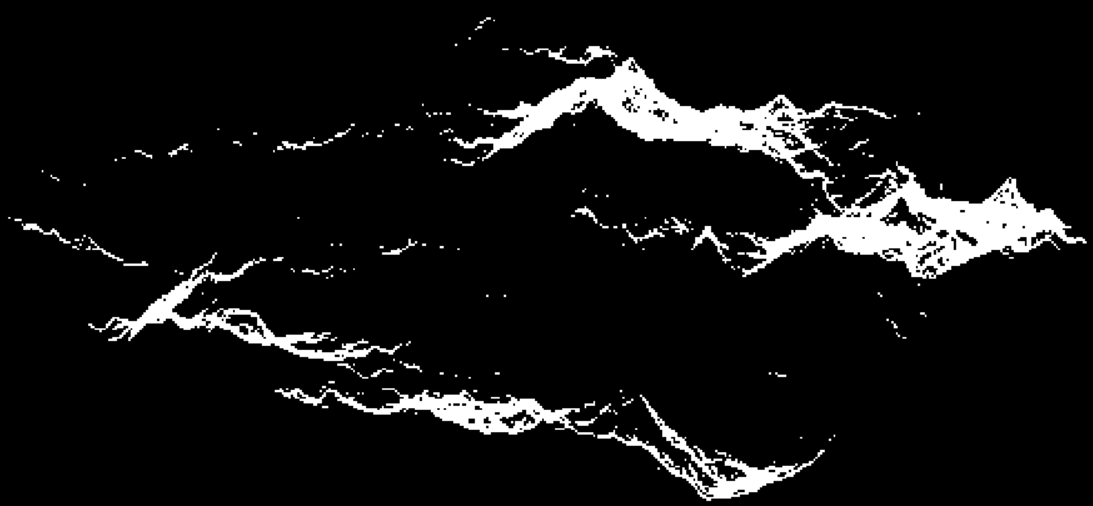
Med hilsen

Lars Waaltorp
seniorrådgiver
Brukerdialog, brukerkontakt
Skatteetaten

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.

2024 Annual Report

Making waves



GENERAL OCEANS

Empowering the blue economy through advanced ocean technology

Contents

At a glance

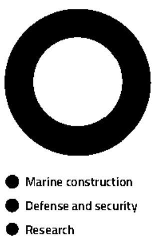
General Oceans is a global group of underwater technology companies dedicated to empowering the blue economy through advanced ocean technology. With a strong foundation in engineering excellence, we develop customer-focused, cutting-edge solutions to serve industries including ocean science, defense, offshore energy and more. For over three decades, our sensors and systems have been crucial to ocean operations worldwide and continue to provide users with the confidence to operate safely and efficiently in one of the most challenging environments on the planet.

In numbers

334	10	18%	6	18
GROUP EMPLOYEES	COUNTRIES	REVENUE GROWTH IN 2024	BRANDS	OFFICES

Who we serve

SERVICE BY MARKET



MARINE CONSTRUCTION

We provide advanced underwater technology which helps make offshore operations safer and more efficient. By aiding hazard perception, obstacle avoidance, situational awareness and intervention, our robust and reliable technology enables customers to complete complex tasks in harsh underwater environments.

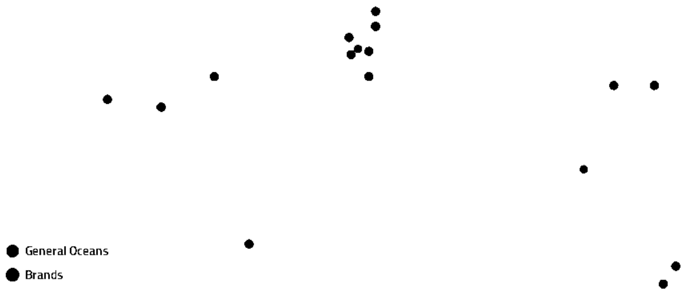
DEFENSE AND SECURITY

We are proud to work closely with navies, special operations teams and coast guards globally. Our technology is integral to Mine Countermeasures (MCM) operations with multiple Allied Nations utilising our systems. We continue to expand our work in this sector.

RESEARCH

Academic and research institutions globally have long been key customers and collaborators of ours. As the market leader in acoustic sensor technology for ocean research applications, we have worked hard to develop systems which provide new capabilities for this market.

Where we operate



What we do

TECHNOLOGY

- ADCPs for in-situ wave, current and turbulence measurement, radar systems for surface wave monitoring
- DVLs and subsea sensors to aid underwater vehicle navigation
- Imaging sonars for collision avoidance and inspection
- High-resolution side scan sonar for seafloor imaging
- Passive acoustic sensors for underwater noise monitoring
- Electric manipulators for high-dexterity tasks
- Hybrid ROVs for defense and security missions

CUSTOMERS

- Offshore operators
- Navies, coast-guard agencies and border security
- Engineering companies
- Government agencies
- Offshore service companies
- Autonomous vehicle manufacturers
- Universities and academic institutes
- ROV manufacturers

President's letter

2024 was a challenging yet transformative year for General Oceans.

2024 was a year marked by meaningful progress and positive developments across General Oceans. Our teams embraced new opportunities, overcame challenges, and collaborated on exciting projects, positioning us strongly for the year ahead. At the beginning of the year, three of our brands faced significant challenges – struggling with product quality issues, operating without strong leadership, and requiring strategic review.

Our primary focus throughout the year was to address these longstanding challenges and establish a sustainable foundation for the future. As of January 2025, we are pleased to report that we have successfully completed 90% of this work. All three companies now benefit from a solid backlog, professional management, and a well-defined product strategy that positions them for long-term success.

Meanwhile, Nortek and Tritech continued to thrive in 2024. As the two largest entities within our Group, their performance played a critical role in stabilizing our overall financial results. Total Group revenue for the year reached NOK 957.1 million while EBIT ended at NOK 68.2 million, 12.7% below 2023 normalised EBIT. Despite this shortfall, these earnings were instrumental in offsetting the losses incurred by Klein, SRS, and Reach Robotics. We extend our sincere appreciation to the Nortek and Tritech teams for their extraordinary dedication and contributions to the Group's overall success.

A key milestone in 2024 was the launch of **CASCADE**, our annual conference. The inaugural event in London brought together over 50 employees from across our brands to share best practices in development, production, sales, and marketing. In 2025, the conference will be held in Boston, further fostering collaboration across our teams. Additionally, we are enhancing internal connectivity by encouraging engineers to engage in cross-company projects and we are also strengthening joint efforts in sales and marketing. On the international front, we have established **General Oceans Singapore**, where our first employee will divide his time between Tritech and Nortek, and will be joined by a colleague from Klein, reinforcing our presence in the region. In late 2024, we welcomed **RS Aqua**, a leading distributor of subsea products in the British Isles, into the General Oceans family. This strategic acquisition significantly strengthens our presence in the UK, where we now have nearly 100 employees across five locations.

> "Together, we are building a resiliant and thriving General Oceans."

Looking ahead to 2025, we are optimistic about shifting our focus from stabilization to growth. The defense market continues to expand, with several of our companies securing long-term contracts with defense primes. The offshore wind sector remains robust, and the increasing demand for ROVs and AUVs is driving strong growth in the subsea navigation market. Regarding the anticipated U.S. tariff wars, we remain hopeful that we will navigate any potential impacts, as we successfully did during the initial tariff disputes between 2018 and 2020. Our financial outlook for 2025 is strong, and we anticipate all six brands will be profitable, with topline growth driven by increased product sales in addition to potential expansion through new mergers and acquisitions.

As we move forward, we remain committed to fostering innovation, strengthening our market position, and driving sustainable growth. We appreciate the dedication of our employees, the trust of our customers, and the continued support of our stakeholders. Together, we are building a resilient and thriving General Oceans.

ATLE LOHRMANN

Industry and technology trends

WORDS BY ELIZABETH PAULL

The ocean technology sector is a diverse and dynamic business landscape that delivers capability to numerous industries, enabling advancements that impact everyday life. This is achieved by designing and developing advanced technologies that are deployed in one of the harshest environments on Earth.

Industry trends

OCEAN SCIENCE

According to the Copernicus Climate Change Service, 2024 was the first year in which the average global temperature exceeded the 1.5°C limit set out in the Paris Agreement. There is a growing urgency around the need to understand the impacts of climate change. The oceans play a vital role, and monitoring currents, sea-level rise, ocean temperature, and marine biology is dependent on reliable, robust and well-tested technologies.

ENERGY

Offshore wind is playing a key role in the energy transition from fossil fuels to renewables and in its 2025 report, the Global Wind Energy Council (GWEC) projected a compound annual growth rate (CAGR) of 8.8% over the next five years.

Reports such as the UK Offshore Renewable Energy Catapult's 'Accelerating Offshore Wind' highlight the potential of subsea technologies, including robotics, to reduce the time needed for consenting.

The use of multi-sensor platforms also offers cost and time savings. For example, using buoys to collect meteorological data for resource assessment and wave/current data for site characterization.

DEFENSE AND SECURITY

Geopolitical events have highlighted the importance of domain awareness in the underwater battlespace, from monitoring and protection of critical infrastructure – such as submarine cables and pipelines – to defensive mine countermeasures and support for human operators in the ocean such as special forces, divers and the coast guard.

The increased focus on autonomy and robotics to meet these challenges is clear in the investment seen in marine robotics. Record valuations for unmanned surface vehicle (USV) and subsea drone manufacturers highlight the growing need for advanced ocean technologies. The successful deployment of vehicles in military operations is dependent on enabling technologies such as sonars, navigation sensors and manipulators.

SUBSEA CABLES

As well as the extensive lengths of power cables being laid for offshore wind, there is a growing network of cables for telecoms, driven by demand for more powerful data centres for cloud computing and AI. Programs such as the EU's CEF-Digital are driving investment in regional and international connectivity, as well as exploring new polar routes in the Arctic. Hyperscalers are also investing, as demonstrated by Meta's announcement to build a 50,000km subsea cable.

Cable laying activities require ROVs and supporting subsea technologies to enable safe and efficient operations. Ongoing monitoring and surveillance is increasingly carried out by underwater vehicles and remote ocean technologies.

Technology trends: robotics for intervention

Remotely operated vehicles (ROVs) have been used for over 60 years for subsea exploration, and have become a workhorse for operations in the energy sector. As the volume and complexity of subsea infrastructure grows and expands into ever-deeper waters, the use of divers is in decline. Underwater robots are carrying out more complex tasks and a new class of vehicle is emerging – intervention class. Enabled by advanced technology and miniaturisation, man-portable vehicles are now observing, monitoring, and intervening subsea.

NAVIGATION

In the absence of GPS subsea, acoustics is the method of choice for navigation. Using forward-looking sonars for collision avoidance, and downward-facing DVLs (doppler velocity logs) to track movement over the seabed, ROVs can safely navigate, even in zero-visibility waters.

IMAGING

Imaging the area of interest, whether on the seafloor or a structure, is again achieved with acoustics – forward-looking sonars for inspection and side scan sonars for high-resolution images of the seabed.

INTERVENTION

High dexterity manipulators are the key technology enabling smaller vehicles to be used for intervention. Compact, lightweight electric robotic arms allow operators to carry out tasks such as unscrewing shackles and unzipping bags.

LOOKING AHEAD

The ocean technology sector is continuously developing more advanced and operationally capable products to help customers. General Oceans will continue to invest in robust technology development, user experience and innovation to meet the customer needs of the future and empower the blue economy.

Our strategy and business model

Our process

Our approach begins with a careful assessment of risks and potential returns on any investment. We then strategically invest in promising growth-oriented opportunities, actively supporting our brands.

We offer hands-on support across strategy, operations, and finance, ensuring each investment has the resources and guidance necessary to achieve sustainable growth and long-term success.

Our core brand portfolio

NORTEK | Tritech | KLEIN MARINE SYSTEMS

REACH ROBOTICS | SRS STRATEGIC ROBOTIC SYSTEMS | RS AQUA

Investment in two start-ups

ECHOSONICS | HEFRING ENGINEERING

Shareholder return

- Proven ability to create stakeholder value
- Successful M&A growth strategy
- Well-diversified portfolio for risk-adjusted returns
- Focus on technical development that runs alongside all operations

Our strategy and business model

We continued to deliver progress on our growth strategy and our ambition 'to empower the blue economy through advanced ocean technology'.

Our success can be attributed to a diverse portfolio of companies and products that serve a global customer base. The industry is changing, and the market for our products and services remains strong. We have successfully navigated the geopolitical challenges and risk factors that come with the territory of working in the marine, defense, and energy sector.

Our growth strategy is underpinned by three strategic pillars:

1. Drive solutions for our customers

A customer-centric technology leader.

2024 ACHIEVEMENTS

- Continued to focus operations and locations around the needs of our customers, consolidating our global presence
- General Oceans Singapore established with plans for representation for Nortek, Tritech and Klein
- New customer product launches at Nortek and Tritech
- Joint booth at Oceanology International in March 2024 showcased our brands with product demonstrations and meetings
- Engineering synergies identified and cross-brand collaboration has begun
- Common CRM system introduced across the Group to streamline sales and marketing efforts

HOW WE MEASURE SUCCESS

- Group organic growth rates
- New customer orders and market share
- Successful introduction of new products to market

2. Grow sustainable profits and create value

A strong set of results with focus on lean processes, management, and growth drivers.

2024 ACHIEVEMENTS

- Acquired RS Aqua – a leading provider of marine-technology solutions – in November 2024, in an acquisition that will strengthen General Oceans' UK presence
- New management appointed at Strategic Robotics Systems to execute a new strategy for 2024
- Rebrand and new leadership at Klein Marine Systems, with business transformation and relocation in motion for 2025
- New management installed at Reach Robotics and a business re-organisation continued in 2024
- Continued to embed our start-up company Echosonics as an advanced transducer manufacturer
- Efficiencies and lean management principles adopted through group re-organisation with an industrial-conglomerate focus

HOW WE MEASURE SUCCESS

- Group revenues and EBIT
- Group acquisitions

3. Source and retain excellent talent

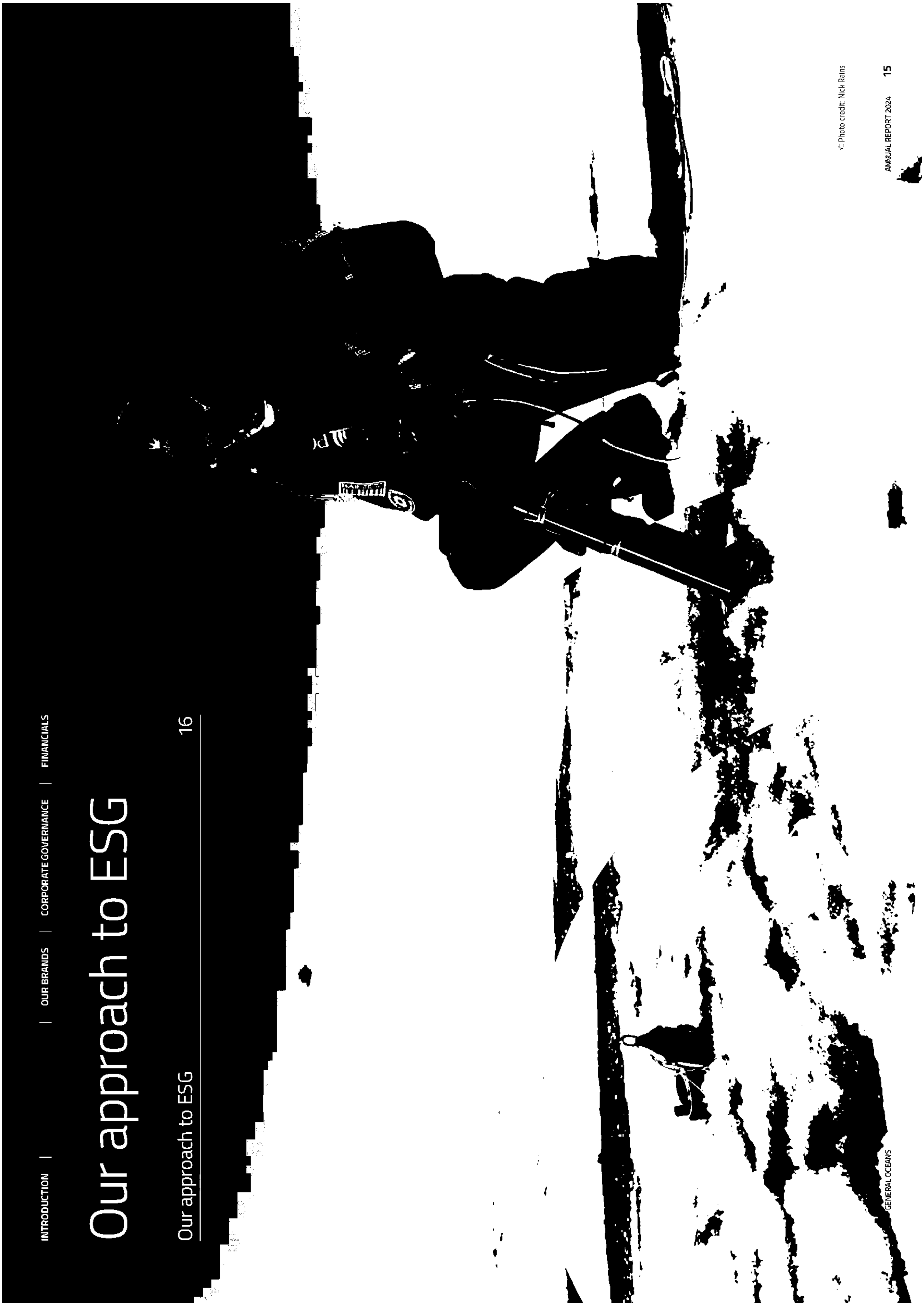
Attracting and retaining the leaders of tomorrow with robust initiatives.

2024 ACHIEVEMENTS

- Head Office maintained close working relationships with the brands to help and support them with challenges they faced across the year
- Launched the General Oceans Academy at Oceanology International in March 2024 to nurture existing employees, engage with external talent and create a talent pipeline from outside the group
- Hosted 50 staff from across the group in September 2024 for CASCADE – our first internal conference focused on encouraging collaboration
- Encouraged agile group secondments, with engineers collaborating on cross-company projects

HOW WE MEASURE SUCCESS

- Employee Engagement Survey


INTRODUCTION | OUR BRANDS | CORPORATE GOVERNANCE | FINANCIALS
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© Photo credit: Nick Rains
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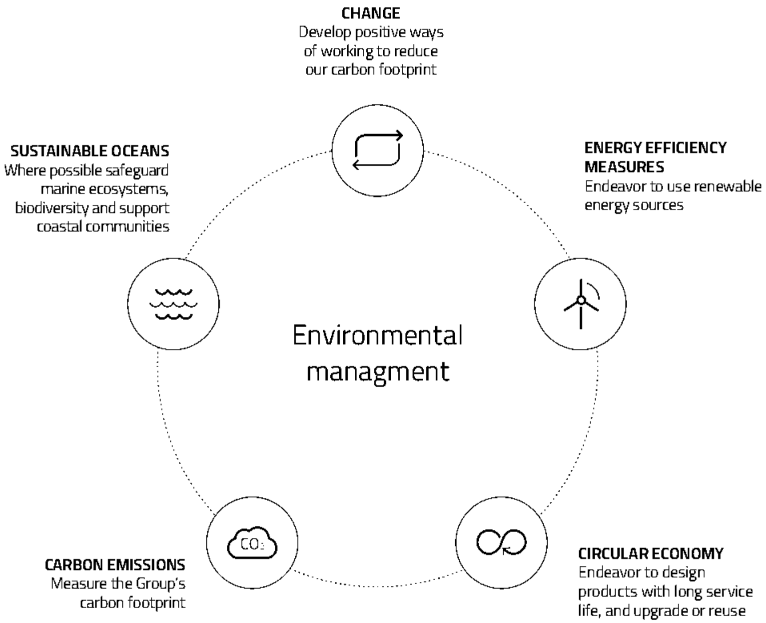
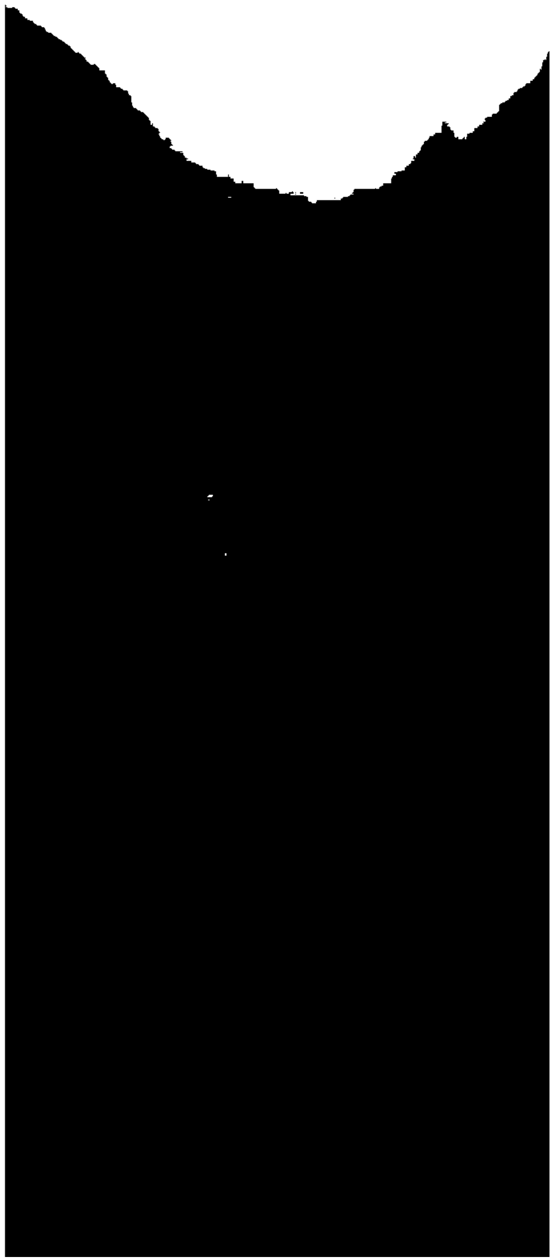
GENERAL OCEANS

Our approach to ESG

General Oceans champions scientific integrity and sustainable business practices across its operations. The company is dedicated to providing customer-centric technology which enables users to perform complex underwater tasks in a safe and efficient manner. We report on our environmental impact and constantly strive to reduce our carbon footprint.





CARBON EMISSIONS

Total tCO_2e: 753.28

(Comparative Total tCO2e (2023) 664.26)

Scope 1 - Total 30.17 tCO_2e

Scope 2 - Location based 44.28 tCO_2e

Scope 3 - Total 678.83 tCO_2e

The carbon emissions above reference data from Nortek and Tritech.

EMPLOYEES

Employees
26% women 74% men

Executive management
13% women 88% men

Board of directors
40% women 60% men

Average gender pay
Women earn on average 78% of what men earn

LOOKING AHEAD

General Oceans endeavors to include more ESG reporting from across the Group and is working with our brands to help them gather this information.

Our brands

Nortek

Nortek reports another active and productive year in 2024, with strong organic growth for the third year running, and an excellent overall performance that cements our position as a global marine technology company, with a market-leading position to produce instruments that measure movement underwater.

Nortek is trusted worldwide for its innovation, high-performance products and excellent support. It boasts more than 10 offices worldwide. In the year, Nortek further expanded its operations in South America, hiring a dedicated sales resource in Chile, with a specific goal of increasing customer experience and increasing Nortek's presence in Spanish-speaking countries.

We connected with customers by participating in over 50 key industry events across the Americas, EMEA, and APAC regions. This gave us an opportunity to showcase our products worldwide and to collect valuable insights from the pulse of the industry. We are always listening and engaging – which helps us create products that can be deployed in the most complex missions and harshest of environments.

Product updates and developments

FUTUREPROOFING OF ADCP TECHNOLOGY

In March 2024, we launched the upgraded Aquadopp and AWAC range of ADCPs, with key changes including a sleek user-friendly design and a future-proofing of its internal components. Recent technology improvements have enabled these instruments to meet the next generation of user needs and Nortek has utilised modern electronics and processing techniques to prolong deployments, maximise data collection, and simplify instrument maintenance. This, alongside the added benefit of built-in data quality control filters for enhanced performance, builds on product capabilities that have been enjoyed by users for decades. We are confident of its increased robustness and easier handling in both research and operational deployments.

DVL SERIES LAUNCHES GENERATION 3

We originally launched the DVL product range in 2015 and have consistently expanded the series since then – adding options for mechanical design and frequency of operation to suit a wider range of vehicle designs and applications. To this effect, we released Generation 3 of the DVL series in Q3 2024, incorporating additional capabilities that take advantage of advances in transducer design and manufacturing techniques. This new generation of DVLs offers improved performance and future-proofs the electronics while simplifying the product line for more streamlined production.

Developing our people

Nortek is dedicated to offering new internship opportunities each year to help young professionals develop their skills. These internships provide real-world experience and valuable insights into the ocean-tech industry, giving the participants a strong start in their careers.

During the summer of 2024, we welcomed interns across two offices – Rud (outside Oslo) and Trondheim – in a drive to engage students, young scientists and professionals with our exciting ocean-technology industry. Together, they worked on a new sensor-testing platform and the project incorporated elements of machine learning, training AI models, and building a robot as part of a team.

NORTEK

LOOKING AHEAD

It is an exciting time in our industry, and our alliances with the rest of the Group allow us to collaborate on exciting projects that will greatly benefit all stakeholders. We will continue to leverage the strength of these strategic alliances to advance the blue economy and protect the world around us. We express our thanks to the people of Nortek, whose commitment is fully appreciated, and have no doubt that they will work to bring more success to the Group in the future.

BRAND FACTS

167

STAFF MEMBERS

10+

OFFICE LOCATION

Tritech

Tritech has produced an excellent set of results in 2024, delivering over budget, while further cementing its working relationships with the rest of the Group.

We employ more than 60 people out of our three main sites in Ulverston, Aberdeen, and Edinburgh, and support General Oceans' advanced transducer R&D company Echosonics, which has been co-located at our Ulverston factory since it was established in 2023.

The defense industry is growing rapidly and we have seen strong interest and orders coming from European, Japanese, and Korean customers in the year. Geopolitical activity in the Black Sea, Middle East, and South-East Asia has driven an increase in demand for our products, and our need to serve customers from all regions quickly has become increasingly important.

To this end, we have extended our global footprint by appointing a sales person in Lafayette in the US. This hire will allow us to offer first-class sales and service support for our sonar imaging and ancillary equipment to new and existing customers in the US, Canada, and South America. We will continue to focus our operations and locations around the needs of the customer and are happy to be represented at General Oceans Singapore.

We were pleased to attend several tradeshows and events in the year, and Oceanology International was a particular highlight as we shared a stand with all of our sister companies for the first time. We launched our PA200/PA500 precision altimeter MKII which was well received by the industry.

We also attended SOF Week in Tampa Florida which is a significant event for the Special Operations Forces and gave us an opportunity to showcase our diver applications. We exhibited alongside our sister company Strategic Robotic Systems, which showcased the FUSION vehicle alongside Tritech products.

PA200/PA500 precision altimeter MKII

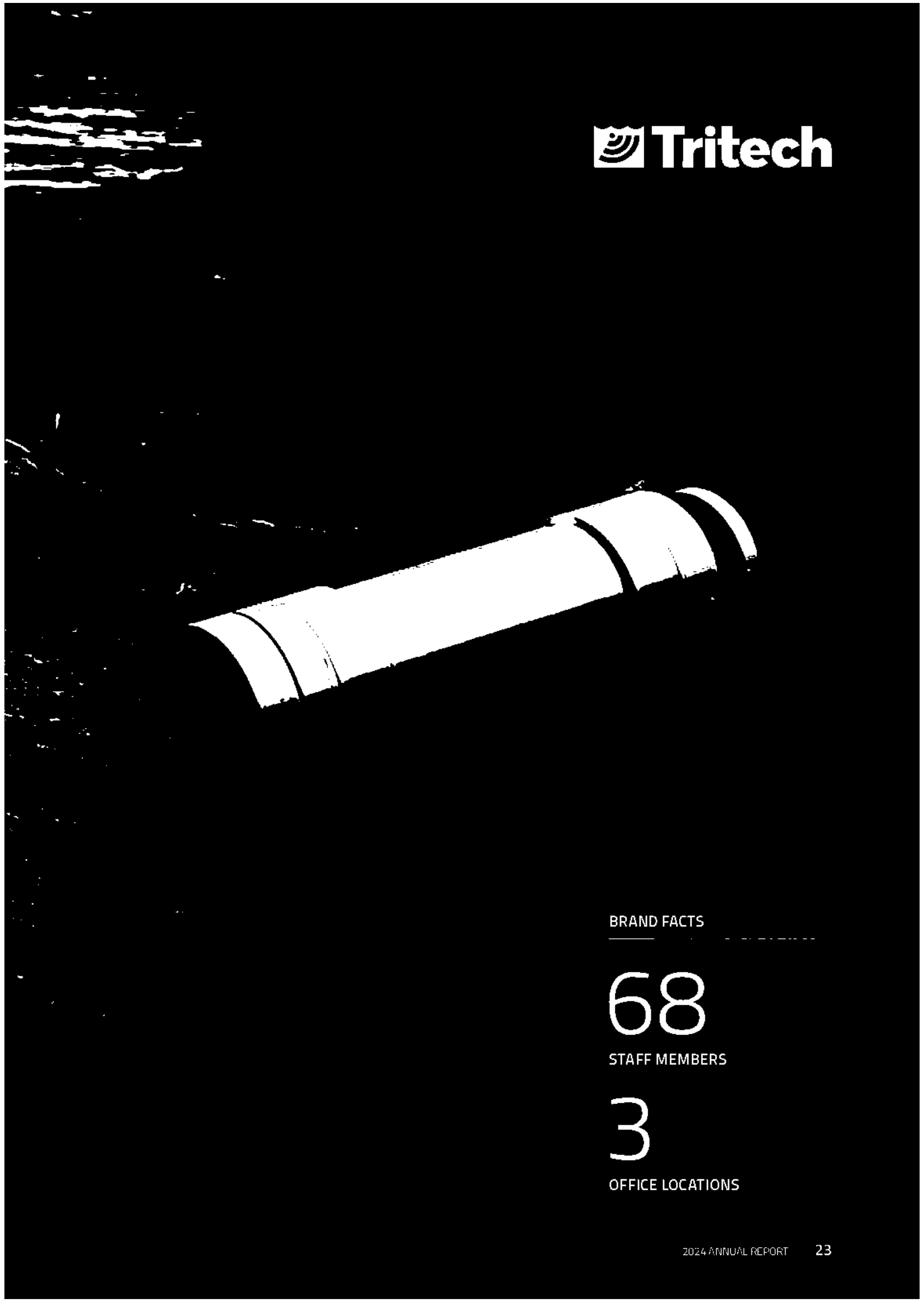
The Precision Altimeter PA200/PA500 MKII offers reliable performance and accurate distance measurement in the harshest of subsea environments. Designed with ROV/WROV/AUV usage in mind, our latest offering builds upon the success of the previous generation.

With features such as full software configuration using our new human-readable command interface, optional slant range correction, millimetre accuracy, and full backwards compatibility, it provides users with a significant upgrade at no extra cost.

We announced a three-year extended warranty on all Tritech manufactured products if the product is returned to the seller for a full service and repair within two years of purchase. This is an improvement on our original two-year warranty. By extending the warranty by a further year, we are displaying our commitment to and confidence in our robust products.

LOOKING AHEAD

We are proud of the advancements we have made in 2024 and the steps taken to increase our international profile and customer service teams. We have seen the fruits of a grassroots review that took place in 2023 and look forward to the challenges and opportunities that undoubtedly await us. We extend our thanks to the wonderful Tritech team, who have contributed to a successful and profitable 2024, and will continue to support our customers in the marine, defense, and research sectors as we reach into diversified markets in the future.



BRAND FACTS

68
STAFF MEMBERS

3
OFFICE LOCATIONS

Klein Marine Systems

With progress underpinned by strategic planning and delivery, Klein has taken bold steps to transform the business in 2024

Several key developments took place in the year, including the appointment of a new Executive Vice President in November 2024.

Progress on the new facility in Newburyport MA continues at pace, with a scheduled move-in date now set for Q2 2025. We have been disciplined in our approach and leveraged the move as an opportunity to reorganize teams and update production lines, testing, and quality control. At the same time, we have delivered a brand refresh and new website.

We brought key members of the engineering, sales and management teams together for an offsite product roadmap and strategy session at the John Olson Advanced Manufacturing Center in Durham NH to agree priorities and timelines with our product development and project teams.

In March, we were delighted to share the General Oceans stand with all of our sister companies at Oceanology International in London. This well-known industry event was the perfect platform to demonstrate Klein products to a captive audience..

In September, we joined more than 50 of our Group colleagues for the General Oceans inaugural CASCADE conference, in a demonstrable commitment to global leadership and innovation that gave Klein the opportunity to strengthen working relationships and set up global working groups and teams.

Significant developments and customer orders have been achieved in the year against a backdrop of substantive organisational changes:

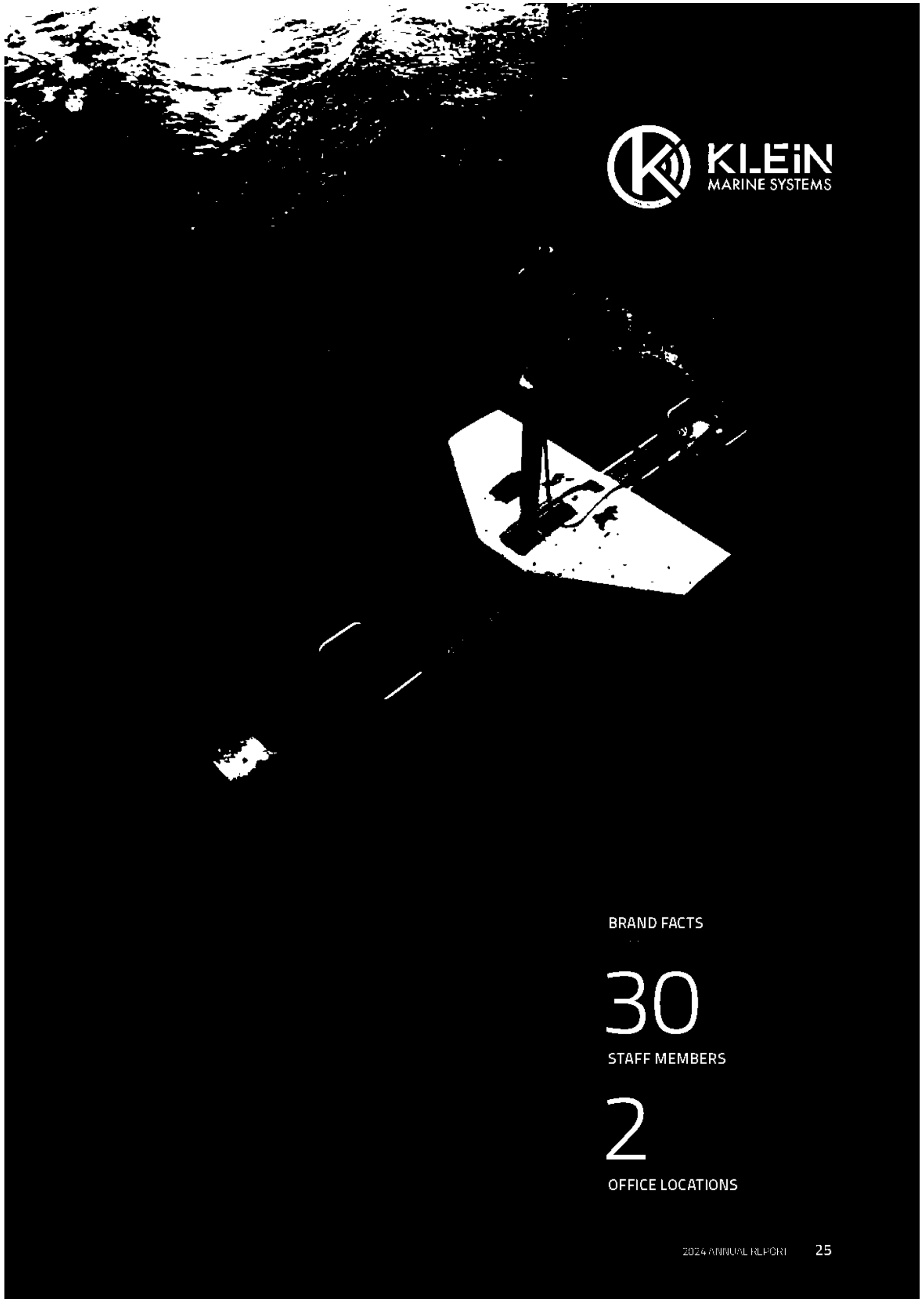
- Klein's sonar systems continue to be known for their precision, clarity, and reliability in the toughest environments
- Successful sea acceptance test (SAT) for the Korea Institute of Ocean Science and Technology (KIOST) completed with a 5900
- System improvements include a project for a new ERP system to underpin future growth and innovation initiatives
- Group projects underway to develop technical connections with General Oceans teams

LOOKING AHEAD

In 2024, we continued to create excellent career pathways for the team so they can support customer delivery with the innovative, practical, and service-led approach for which we are known.

We are confident that Klein will continue to uphold its market-leading position for the application of sonar products across the defense, commercial, and scientific markets of the future.

Growth will be elevated by our access to a global network of marine technology companies under the banner of General Oceans – and in sharing a resounding commitment to product innovation, problem solving, and global leadership that will support future growth and entry into new markets.



RS Aqua

RS Aqua joined the Group in November 2024 and is a market-leading distributor of ocean technology in the UK and Ireland.

RS Aqua was established over 40 years ago in Portsmouth and now has a team of 17 marine-industry professionals and ocean scientists. Our sales team includes industry experts who not only understand our sensors, systems, and platforms, but know how to apply them to the offshore energy, defense, and aquaculture industries in which we operate.

This year, RS Aqua was acquired by General Oceans on 18 November 2024 following a successful round of deal negotiations. It was during these meetings that our shared values, established customer base, and range of products became obvious as a good strategic fit for General Oceans. Already, we are building relationships with our sister companies, making plans to integrate relevant Group products and services into our own sales activities – while investigating new product and project crossover opportunities.

RS Aqua promotes a positive learning culture and excellent development opportunities for the team. We look forward to expanding these programmes further, so employees can gain more opportunities on international projects and working groups as part of the wider Group. This focus will keep our attrition rates low and boost our attractiveness as an employer, which in turn will contribute to our success.

2024 highlights

- RS Aqua joined General Oceans in November 2024.
- Attended and offered customer demos on a broad circuit of industry events: Oceanology International, Aquaculture UK, and Subsea Expo.
- Introduced flexible commercial models: equipment sales, long-term rentals, software services, and long-term framework agreements for government and industrial suppliers.

MARLIN-AI

Recently RS Aqua has been developing AI solutions. It won funding in Q3 2023 from Innovate UK*, which recognized the potential to use cutting-edge machine-learning technologies to improve understanding of ocean activities. In collaboration with the University of Southampton, MARLIN-AI launched successfully in Q2 2024. It has the primary goal of developing new ways to monitor and protect the underwater environment from the negative effects of animal, human, or environmental activity. Its underwater sensor uses machine learning to identify harmful events and transmits information to a user-friendly web-app (in real-time) to inform remote decisions and better conservation of marine mammals (whales and dolphins) during offshore wind farm construction. It can also detect illegal fishing activities, leading to better protection of fishing grounds and marine protected areas, offering safeguards for generations to come.

Project MARLIN is committed to pioneering innovations that address the most pressing challenges facing our marine environments. The software is the first of several new technologies for release. RS Aqua has been approached by business and government agencies off the back of the MARLIN project, and the AI team hopes to use findings to solve 'big data' problems as part of their work with General Oceans.

LOOKING AHEAD

We have joined a group of like-minded professionals who are as committed to innovation, reliability and growth as we are. This will allow us to work together on R&D projects to extend our footprint in new markets, while advancing the blue economy of the future through technological advancements. We look forward to navigating industry opportunities and challenges and contributing to Group success. Our thanks to the RS Aqua team for their ongoing effort commitment and hard work.

* Innovate UK is the UK's national innovation agency, and supports business-led innovation in all sectors, technologies and UK regions.

BRAND FACTS

17

STAFF MEMBERS

1

OFFICE LOCATION

Reach Robotics

2024 was an important year for Reach Robotics, which saw significant change in order to drive profitability.

With support from the team at General Oceans HQ, a reorganisation of the operations, finance, and sales teams was in place by year end.

At the beginning of Q3 2024, to support the necessary restructuring of Reach Robotics, a new General Manager was appointed.

We nurtured our engineers with valuable opportunities to develop skills and gain practical experience. We have been delighted to observe the career progress of one of our skilled engineers, Will Marais, who made the leap to Trondheim in Norway to join Nortek to support the advancement of their underwater navigation technologies. His story is testament to the exciting global opportunities we experience as part of the General Oceans Group.

By working with teams from General Oceans, industry and research institutions, we further embedded an R&D focus that is rooted in solving customer problems. During the year we worked alongside Nortek, SRS and Tritech on an exciting new project with efforts continuing towards commercialisation.

Among the several trade events we attended in 2024, Oceanology International was the highlight in Q1. We joined Nortek, Tritech, Klein Marine Systems and SRS on the General Oceans stand.

We invited attendees to experience technical demos of a recently expanded class of our Reach X manipulators and showcased the new Reach X Advanced Intervention System (RX-AIS). These events are a platform for us to connect with our customers, manufacturers, and sister companies at a global level, and inform the customer-centric direction of our engineering projects.

Reach X manipulators

In March, we launched the expanded class of Reach X manipulators – a series of modular and highly dexterous multitools for portable subsea intervention and non-destructive testing. Initially designed for the mission-critical defense sector, Reach X is increasingly regarded as the world's leading complex inspection and intervention solution to replace human divers in harsh underwater environments. More recently, we have been witnessing a growing demand from the commercial sector for these lightweight manipulators.

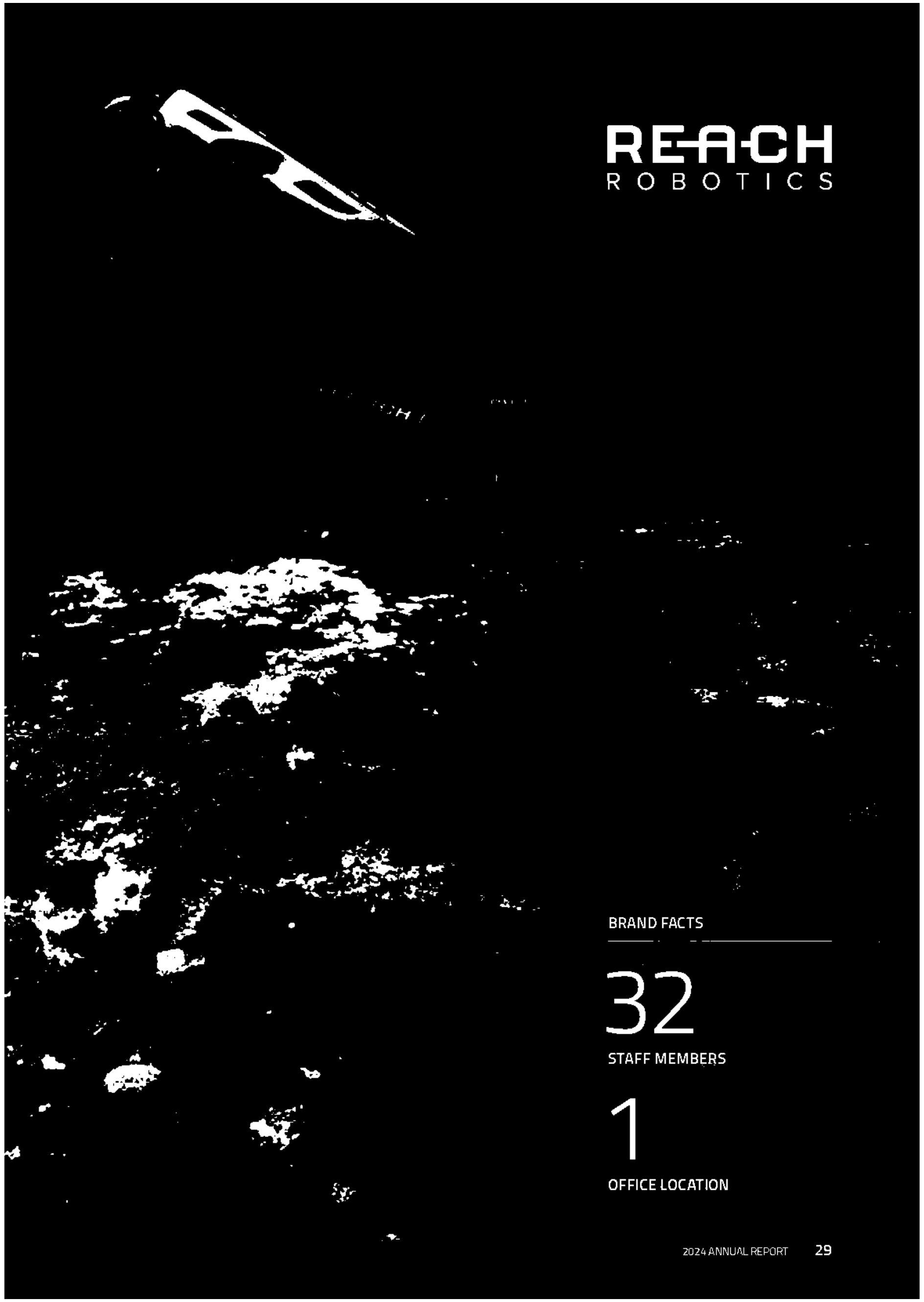
Reach X – AIS: Australian Defense Force

In November, we announced a new contract with the Australian Defense Force (ADF) to produce a custom 'deep water' variant of the Reach X Advanced Intervention System. The product will be rated for deeper water depths, exceeding the maximum operational depth of previous systems.

LOOKING AHEAD

2025 looks promising – we have plans to extend products into new markets with the support of a strong management team.

We are developing our manufacturing capabilities, fostering a supply-chain sovereignty ethos, and sourcing materials domestically where possible.



Strategic Robotic Systems

2024 was a significant year for Strategic Robotics Systems with a drive to manage operational costs whist maintaining an emphasis on innovation and development of customer-centric solutions.

To achieve our wider aims, during 2024, we took action to reorganise the business and introduce new strategies to reduce inventory and overhead costs. The defense sector is central to SRS's business, and our sales and marketing efforts target this core customer base, alongside other opportunities in the subsea marketplace.

During the year, we enhanced FUSION and its ancillary subsystems to fulfil customers' operational requirements. These development efforts improved system reliability and fueled an increase in sales.

Product updates and development

Our customers want tailored solutions that meet specific operational requirements. Additional system development efforts will continue in 2025 to meet complex mission demands.

We collaborated with Reach Robotics to develop a coupled vehicle and manipulator control to improve operator efficiency, and SRS designed and manufactured a new toolsled to support its development and the implementation of the Reach X on our FUSION system.

About FUSION

Strategic Robotic Systems manufactures FUSION, an expeditionary system to meet evolving demands in the defense sector. It is a Hybrid Underwater Vehicle (HUV) that offers operational efficiencies and extensive mission capabilities from one platform. As the only observational ROV with such broad capabilities, it's defined as an HUV outside the traditional system classification. The system operates in two core modes: Remotely Operated Vehicle (ROV and Autonomous Underwater Vehicle (AUV), which act as force multipliers to complement each other, while also reducing capital and life-cycle costs. The comprehensive standard high-resolution sensor package and optional subsystems are closely integrated, providing the operator with an intuitive and user-friendly human machine interface (HMI).

Our strategic priorities

- Research and Development: focused on FUSION's evolution, subsystems, auxiliary equipment, and integration of new sensors to maximise performance characteristics through enhanced data processing, management, and display techniques
- Partnerships and collaborations: developed relationships with research institutions, industry leaders, and government bodies to drive innovation in new markets
- Compliance with regulatory standards: SRS passed its annual ISO 9001:2015 audit and continues to enhance the program's processes and KPI tracking
- Cultivating a highly skilled workforce fostered a culture of innovation in the robotics and underwater vehicle industry

STRATEGIC ROBOTIC SYSTEMS

LOOKING AHEAD

As subsea marine sectors identify new operational requirements for underwater robotic systems, SRS is poised to significantly shape subsea defense operations as part of the General Oceans Group.

We will continue to seek out external research and development funding opportunities and will work with our sister companies to find synergies between agents, representatives, and service centres.

BRAND FACTS

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STAFF MEMBERS

1

OFFICE LOCATION

Corporate governance

Our board

The board was elected in 2023 and provides effective and entrepreneurial leadership of General Oceans. It is collectively responsible for promoting the long-term success of the Group by ensuring the creation and delivery of sustainable stakeholder value under its guidance.

Stein Dale

CHAIR

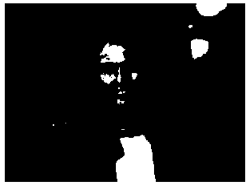
Stein has been appointed Chair of the Board of General Oceans.

He has more than 20 years of leadership experience from Norwegian and International energy companies as former CEO of E.ON, International Markets, SVP of Corporate Strategy in E.ON SE, CEO of Multiconsult and CFO in Statkraft. He is currently the Chair of Heimdall Power AS, board member of The Quartz Corp SAS and board member of Adjaristsqali Georiga LLC.

Stein has worked extensively with leadership, strategy and M&A issues, and has been a central figure in leading large-scale transformational projects.

Prior to entering the energy industry, he worked for more than ten years within Telecoms.

Stein holds a Master of Science in Business from the Norwegian School of Management, Executive Education from IMD, and completed the Advanced Management Program at Harvard Business School.



Asta Stenhagen

BOARD MEMBER

Asta joined General Oceans Board of Directors from December 2023. She has over two decades of legal, finance, and operational experience from her roles at Morrow Batteries, Tietoevry, Wilh. Wilhelmsen Group, and law firm Thommessen, as well as numerous board positions in listed and private companies.

She has served amongst as the General Counsel in Morrow Batteries ASA, Head of Legal, Security and Compliance at Tietoevry Corp., Executive Vice President of Legal and Risk at EVRY ASA, and Legal Counsel at Wilh. Wilhelmsen Holding ASA.

Asta holds a Cand. Jur (Master of Law) Degree from the University of Oslo (UiO), including legal subject matters from University of Århus (Denmark) and project management from UiO.

Kim Steinsland

BOARD MEMBER

Kim was a board member of Nortek AS from 2018 to 2021 and joined the board of General Oceans in May 2023. He is Managing Director of the Norwegian technology company Scanmatic AS and has worked within technology for field instrumentation, control systems, and hydro acoustics his whole career.

Prior to his present position in Scanmatic, he was central in the merger and creation of Volue ASA in 2020, where his role was Executive Vice President and responsible for the IoT division.

Despite almost two decades in management, Kim insists on being a true technologist. He holds an MSc in Engineering Cybernetics from NTNU and a BSc in Industrial Electronics, in addition to Innovation Management studies at INSEAD.

Torfinn Kildal

BOARD MEMBER

Torfinn has more than 30 years experience of executive and non-executive positions in private and public listed companies, mainly in maritime and energy industries. He was CFO and CEO of Simrad Group, and has been Exec VP Corporate Business Development of Kongsberg Gruppen and CEO of Kongsberg Maritime.

Currently, he is Chairman of Oswo and a board member of Glamox AS, Mintra Holding AS, and Norkart AS.

During his years in leadership postions, he has worked extensively with strategic and operational projects related to profitable growth and enterprise transformation.

Torfinn is also involved with social entrepreneurs as chair of Lifetools AS. He holds an MBA from the Norwegian School of Economics (NHH) and Executive Education from IMD.

Saskia Sterud

BOARD MEMBER

Saskia, together with Torfinn Kildal and Gustav Martinsen, represents the second-largest shareholder, Ferd, on the Board of Directors. She is an investment professional at Ferd and was part of the deal team when Ferd invested in General Oceans. In addition to General Oceans, Saskia is responsible for several of Ferd's investments within the consumer industry, including both listed and private companies, and is a board observer at Brav AS. Prior to joining Ferd she worked as an equity and credit-research analyst at the Nordic investment bank, Carnegie, in Oslo and Stockholm.

Saskia holds a Bachelor of Science in Finance from St. John's University in New York, where she graduated summa cum laude and competed on the University golf team in NCAA Division 1.

Our leadership team

Supporting the brands, the central leadership team is a lean group of experts in their fields. The goal is to work with the brands in scaling faster, developing the best talent, funding and organising collaborative projects, and integrating the knowledge and business acumen found across the Group.

Atle Lohrmann

PRESIDENT

Atle founded multiple companies in the oceanographic sensor space and from 1999 onward focused on growing the last one, Nortek, into a global technology leader.

Under his leadership Nortek opened subsidiary offices in eight countries, launched technical expertise centers in Europe and the United States, and established a global network of representatives. Most recently, Atle founded Hefring Engineering, a subsea vehicle company, in the United States.

Atle received a Master of Science in Physical Oceanography and Applied Mathematics from the University of Oslo and holds several pivotal patents in the industry.

Anton Van Heerden

CHIEF FINANCIAL OFFICER

Anton joined General Oceans as CFO in June 2022 and brings over 20 years of international financial experience. Immediately prior to joining, Anton was the CFO at Tquila Group, a privately held investment group investing in property and disruptive technologies. In the past he was Finance Director of the European Division of the K2 Group, a large technology and talent-placement agency. Anton also worked as Group Controller for Deep Ocean Group, a subsea services provider.

Anton brings a wealth of experience successfully managing finance teams from incubation to maturity. His sector experience includes subsea services, staffing, consulting services, property, renewables, and telecommunications. Anton holds an MBA from the University of Liverpool, degrees in accountancy, and is a registered Chartered Accountant with SAICA.

Peter Smith

CHIEF PEOPLE OFFICER

Peter came to General Oceans in 2023 in the newly created role of Chief People Officer (CPO), bringing a strong commercial HR background spanning automotive, technology, logistics, and manufacturing. He has worked for high-profile brands such as Suzuki, Sony, and the UK's Ministry of Defense.

His expertise spans strategic and tactical elements of the CPO role – learning and development, employment law, recruitment, benefits and reward, systems delivery, D&I and employee wellbeing. Peter will guide us through this pivotal stage of our journey as we strive to develop the 'People' pillar of strategy, with a Group framework that bolsters General Oceans as a destination employer for talented professionals.

Elizabeth Paull

GROUP ANALYST

Elizabeth joined General Oceans in 2023 and provides the Group with analytics and insights to support commercial, technology, and business strategy. With a background in ocean science and finance, Elizabeth has over a decade of experience in commercial and strategic leadership in ocean technology businesses. In the past, she was Managing Director of an ocean sensor company and Vice Chair of the Society of Maritime Industries.

Elizabeth holds a Masters degree in Oceanography from the University of Southampton and an MBA from the Open University.

Rachel McAlpine

GROUP MARKETING MANAGER

Rachel joined General Oceans in late 2023 following the successful acquisition of Tritech, where she served as Marketing Manager. During her tenure at Tritech, Rachel lead the company's rebranding initiative, a successful website launch, and doubled Tritech's social media following. Prior to her role at Tritech, Rachel was Content Manager for a former government body. Rachel brings with her a wealth of sales and marketing experience with a focus on content creation and project management.

Rachel holds Undergraduate and Postgraduate Masters degrees from the University of Glasgow.

Board of Directors' report

General Oceans is a developer and manufacturer of oceanographic sensors, underwater robotic vehicles, and manipulators. Each General Oceans brand operates in the subsea sector and focuses on specialized technological solutions for underwater applications.

The holding company, General Oceans AS, is incorporated in Norway and operates out of Norway and London through its management office. The Group's portfolio of brands operates across Norway, the UK, Australia, and the US, serving a global customer base via an extensive international sales and support network.

As the parent company, General Oceans AS works in close collaboration with its brands to drive growth and operational performance. Each brand sets its own KPIs and performance targets. This decentralized structure enables brands to maintain their unique identities while leveraging Group synergies to deliver sustainable, long-term solutions tailored to customer needs.

Summary of the year

In 2024, the Group's core brands – Nortek and Tritech – achieved strong organic growth. Meanwhile, Reach Robotics, Klein Marine Systems, and SRS underwent transformative changes, repositioning their product portfolios and market strategies for long-term growth.

Group consolidated revenue increased by 18.3%, reaching NOK 957.1 million, driven by organic growth and strategic acquisitions. EBITDA grew modestly by 0.3% to NOK 127.6 million, primarily impacted by operational restructuring and reviews conducted within Reach Robotics, Klein Marine Systems, and SRS.

As a global group, General Oceans is exposed to macroeconomic trends and the dynamics of international trade. Despite broader concerns in business to consumer sectors, demand in our core markets – energy, defense, and science – remained strong in 2024. Ocean technology companies, including those in our portfolio, generally reported positive performance and outlook.

The strong USD continued to benefit the Group financially, as most of our operating entities generate revenues in USD while incurring costs in local currencies.

In 2024, General Oceans acquired RS Aqua, a leading UK-based distributor of ocean technology products. This acquisition further strengthened our presence in the UK market. The purchase was funded through a NOK 14.1 million equity issuance and NOK 42.8 million (GBP 3 million) in new loan financing.

To support our strategic expansion in the APAC region, the Group also established a new subsidiary in Singapore.

Timeline of the business

GEOGRAPHIC LOCATIONS

1996 Norway
1999 USA
2002 Netherlands
2003 UK and China
2008 France
2016 Japan
2019 Australia
2024 Singapore

1996 — 2024

MERGERS AND AQUISITIONS

1996 Formation of Nortek

2021 Nortek became part of General Oceans and SRS was acquired

2022 Reach Robotics and Tritech acquired

2023 Klein Marine Systems acquired

2024 RS Aqua acquired

Financial review

Consolidated statement of income

Financial highlights

NOK (thousands)	2024	% OF REVENUE	2023	% OF REVENUE
Revenue	957.1		808.8	
Gross profit	637.3	66.6%	560.8	69.3%
EBITDA	127.6	13.3%	127.1	15.7%
EBIT (2023: normalised)	68.2	7.1%	78.1	9.7%
Net profit	39.2	4.1%	(72.5)	-9.0%

REVENUE

Revenue increased by NOK 148.3 million, or 18.3%, to NOK 957.1 million in 2024, compared to NOK 808.8 million in 2023.

This growth was driven by strong organic performance across core markets, a full 12-month contribution from Klein Marine Systems (acquired in August 2023, compared to 4.5 months in the prior year), and a 1.5-month contribution from RS Aqua, which was acquired in November 2024.

GROSS PROFIT

Gross profit increased by NOK 76.5 million, or 13.6%, reaching NOK 637.3 million in 2024, up from NOK 560.8 million in 2023.

The gross profit margin remained relatively stable at 66.6% in 2024 (2023: 69.3%), reflecting continued product mix consistency and effective cost control, despite inflationary pressures in certain markets.

EBITDA

EBITDA increased by NOK 0.4 million to NOK 127.6 million in 2024, compared to NOK 127.1 million in 2023.

The modest growth in EBITDA was primarily impacted by costs associated with operational reviews and restructuring activities undertaken by Reach Robotics, Klein Marine Systems, and SRS during the year.

EBITDA is not a defined IFRS term. It is calculated by taking operating profit (or loss) and adding back depreciation, amortisation and impairment charges.

EBIT

EBIT decreased by NOK 9.9 million to NOK 68.2 million in 2024, compared to a normalised EBIT of NOK 78.1 million (excluding a NOK 117.3 million one-off goodwill impairment) in 2023.

The decrease was largely attributable to an increase of NOK 10.3 million in depreciation and amortisation expenses, primarily related to recent acquisitions and capital investments.

EBIT is not a defined IFRS term. It is calculated as operating profit (or loss) without any adjustments.

TAXATION

The Group's corporate income tax expense for 2024 was NOK 21.5 million, up from NOK 17.0 million in 2023. The effective tax rate for 2024 was 35.4% (2023: 27.6%, adjusted for a goodwill impairment).

The increase in tax expense reflects higher taxable income for the year, the full-year inclusion of newly acquired entities operating under various local tax regimes, and the impact of losses incurred by SRS, Reach Robotics, and Klein.

PROFIT / (LOSS) FOR THE YEAR

The Group reported a profit of NOK 39.2 million for 2024, compared to a loss of NOK 72.5 million in 2023.

The loss in 2023 was primarily due to a one-off goodwill impairment of NOK 117.3 million related to the SRS business.

Consolidated statement of financial position

As of 31 December 2024, the Group had total assets of NOK 1,302.1 million, up from NOK 1,046.5 million at year-end 2023.

Total non-current assets amounted to NOK 607.9 million (2023: NOK 510.6 million), driven by increases in intangible assets, property, plant and equipment, and goodwill.

- Property, plant, and equipment, including right-of-use assets, increased to NOK 264.7 million (2023: NOK 235.3 million), reflecting NOK 26.6 million in capital investments and NOK 23.7 million in new right-of-use assets, partly offset by NOK 34.6 million in depreciation.
- Intangible assets rose to NOK 319.0 million (2023: NOK 252.0 million), primarily due to NOK 69.9 million in additions from the acquisition of RS Aqua, partly offset by amortisation.
- Net goodwill increased to NOK 116.3 million (2023: NOK 79.6 million), largely attributable to the RS Aqua acquisition.

Total current assets totaled NOK 708.4 million (2023: NOK 535.9 million).

- Inventories rose to NOK 234.5 million (2023: NOK 205.7 million), mainly due to higher raw material levels.
- Trade and other receivables increased to NOK 188.4 million (2023: NOK 165.7 million), reflecting strong sales activity towards year-end.
- Cash and cash equivalents improved to NOK 281.7 million (2023: NOK 153.4 million), strengthening the Group's liquidity position.

Total liabilities amounted to NOK 597.9 million (2023: NOK 421.2 million), with key components being interest-bearing borrowings, trade payables, and other current liabilities.

Total equity increased to NOK 718.4 million (2023: NOK 625.3 million), representing an equity ratio of 54.6% (2023: 59.8%).

The increase was mainly driven by:

- NOK 39.2 million in net profit for the year
- NOK 14.1 million in new equity issued as part of the RS Aqua acquisition
- NOK 49.9 million increase in the translation reserve

Partly offset by:

- NOK 10.0 million in dividend payments

Consolidated statement of cash flows

Net cash from operating activities before interest and tax was NOK 170.8 million for 2024 (2023: NOK 86.2 million).

This included a net decrease in working capital of NOK 63.9 million (2023: increase of NOK 25.1 million), primarily driven by customer advances and partially offset by increases in inventory and a reduction in trade payables.

Net cash used in investing activities totaled NOK 41.5 million (2023: NOK 148.7 million).

This included:

- NOK 42.4 million net cash outflow from the acquisition of RS Aqua
- NOK 15.7 million in investments in property, plant, and equipment

Net cash from financing activities was NOK 14 million (2023: NOK 110.3 million), primarily due to:

- NOK 42.3 million increase in interest-bearing borrowings

Offset by:

- NOK 10 million in dividends paid

Allocation of the parent company net result of the year

General Oceans AS generated a net profit of NOK 20.8 million for the financial year 2024. The Board of Directors proposes the following allocation of the net result:

- Dividend distribution: NOK 10 million
- Transferred to retained earnings: NOK 10.8 million

Events after the balance sheet date

Subsequent to the balance sheet date, the Group entered into a sales agreement to dispose of one of its buildings for a consideration of USD 5 million.

In March 2025, the Group also declared a dividend of NOK 40 million.

No other material events have occurred after the balance sheet date that would require disclosure in these financial statements.

Risks and risk management

General Oceans is exposed to a range of risks that may impact the Group's operations, performance, and financial position. These risks are actively monitored by corporate management and regularly reported to the Board of Directors.

The overview below outlines the key business risks relevant to the achievement of General Oceans' long-term goals and strategic direction. This list is not exhaustive – other risks not currently deemed material or known could, in the future, adversely affect the Group's business, results of operations, or financial condition.

Operational risks

General Oceans may be adversely affected by various operational and economic factors. The Group undertakes periodic reviews and reassessments of its risk profile to ensure proactive management of these risks. Rather than ranking or quantifying risks, General Oceans takes a holistic approach to risk management, recognising that risks previously considered less critical may later become material.

Below is a summary of several operational risk areas:

SUPPLY CHAIN

Supply shortages remain a significant operational risk. While the Group maintains in-house production and assembly capabilities, it relies heavily on global suppliers for key components. Although lead times improved in 2024 compared to 2023, certain specialty items still face constrained availability and low supply-chain visibility. This may disrupt production scheduling and increase the risk of customer cancellations or lost business opportunities.

HUMAN RESOURCES

Attracting, retaining, and developing highly skilled personnel – particularly engineers – is essential to delivering the high-quality services General Oceans aims to provide. The Group competes in a tight labour market, and the inability to attract or retain talent could hinder execution of strategic priorities. Special emphasis is placed on maintaining a collaborative environment and supporting the professional development of key personnel and senior management.

Market risk

The Group operates internationally in a competitive industry and is therefore exposed to macroeconomic fluctuations, evolving market dynamics, and sector-specific risks.

FUTURE ECONOMIC DOWNTURNS

As the subsea sector is closely linked to global economic activity, any future downturns may result in reduced customer spending, delayed projects, and reduced demand for the Group's products and services.

COMPETITIVE INDUSTRY

General Oceans operates in the highly competitive subsea landscape. Some current and future competitors may benefit from greater financial resources or operational scale, enabling them to be better positioned to withstand and adjust to changing market conditions. This could potentially affect General Oceans' ability to maintain or grow its market share.

INNOVATION

The subsea industry is rapidly evolving, particularly in areas such as extreme-environment operations. The focus of companies, from a subsea perspective, will include enabling technologies to operate safely in high-pressure, extreme-temperature, and deep-water environments. Sustained investment in innovation is essential for meeting these challenges. The Group's long-term success depends on its ability to develop cutting-edge, cost-efficient technologies and products that address emerging customer needs.

BRAND AND REPUTATION

General Oceans operates through a portfolio of distinct brands, which helps mitigate concentration risk. However, any negative events – such as adverse publicity or customer dissatisfaction – could still impact brand equity and customer trust. The Group continually works to strengthen its reputation for delivering high-quality, cost-effective solutions across all brands.

Political and regulatory risk

The Group's operations are subject to political, legislative, and regulatory developments in the jurisdictions where it operates. Changes to tax laws, environmental regulations, defence procurement rules, or trade policies could materially affect General Oceans, its suppliers, or its customers. Maintaining compliance and adapting to evolving frameworks are ongoing priorities.

Financial risks

CREDIT RISK

Credit risk arises primarily from cash and cash equivalents held with financial institutions and, to a lesser extent, from trade receivables.

General Oceans manages credit risk through continuous monitoring and assessment of the creditworthiness of individual customers. The Group's customer base primarily consists of entities within the defense sector, public institutions, or publicly funded organisations – groups typically considered low-risk in credit terms. Historically, customer-related credit losses have been minimal.

LOAN COVENANTS

General Oceans is subject to covenants related to its USD 12.3 million (NOK 139.9 million) and GBP 3 million (NOK 42.3 million) facility agreements with Nordea. Failure to comply with financial or other covenants under these or other financing arrangements could result in increased borrowing costs, demands for additional security, or even cancellation or acceleration of repayment obligations.

The Board actively monitors covenant compliance and associated financial indicators. Based on the Group's 2025–2026 business plan, the Board expects to remain in full compliance with all loan covenants.

FOREIGN EXCHANGE RISK

General Oceans operates across multiple currencies and is therefore exposed to foreign exchange risk. Currency fluctuations – driven by economic conditions, global financial markets, government actions, and other external factors – can impact the NOK value of the Group's assets, liabilities, and cash flows.

To mitigate this, General Oceans evaluates foreign exchange exposure at the entity level, focusing on net exposures after internal natural hedging (matching revenues and costs in the same currency).

Where mismatches exist, the Group may use financial instruments, including derivatives such as futures contracts, to hedge or partially hedge these exposures. Foreign exchange risk is considered one of the Group's most significant financial exposures and is managed through established risk procedures at the subsidiary level.

INTEREST RATE RISK

General Oceans is exposed to interest rate risk primarily through its term loans, which are based on floating rates linked to SOFR and SONIA (2023: SOFR), plus a margin.

An increase in interest rates could adversely affect the Group's financial performance and liquidity. However, due to the Group's high liquidity levels, management currently assesses the potential impact of interest rate volatility to be limited.

As part of its risk mitigation strategy, the Group regularly analyses its exposure and uses financial instruments such as interest rate swaps to hedge, or partially hedge, expected future cash flows. These risk management procedures are implemented across operating subsidiaries and overseen at the corporate level.

Liquidity risk

The Group relies on operating cash flows, available cash and cash equivalents, and access to committed credit facilities to finance its operations and any strategic initiatives.

Liquidity requirements are primarily driven by working capital needs, capital expenditures, debt servicing, employee-related expenses, interest payments, and tax obligations. Periods of strong revenue growth tend to result in increased working capital requirements.

Liquidity is centrally managed at the corporate level to ensure sufficient funding is available under both normal and stressed market conditions, while avoiding undue risk or reputational damage.

The Group maintains internal financial discipline through two key mechanisms:

- Liquidity reserve floor: a minimum required level of available cash and credit
- Maximum leverage ratio: an internal ceiling to avoid excessive debt burden

Both metrics are closely monitored and remain within the limits set by existing financing agreements.

To ensure adequate liquidity, the Group routinely assesses short- and medium-term cash-flow needs based on financial obligations and maturity profiles. This includes rolling forecasts of the liquidity reserve, which consists of cash and cash equivalents as well as available undrawn debt facilities.

Corporate governance

General Oceans AS voluntarily adheres to the Norwegian Code of Practice for Corporate Governance. The company's practices are aligned with these recommendations to ensure transparency, accountability, and sound decision-making. The Board in full constitutes and performs the work of an Audit Committee.

The Board has approved the 2024 Corporate Governance Report, which is included in the corporate governance section on page 48 of this annual report.

Corporate social responsibility

Working environment and social responsibility

As of year-end 2024, General Oceans AS had no employees. The Board of Directors comprises five external members (two female, three male).

General Oceans is a global company that values the international diversity of its workforce as a competitive strength. The Group strives to foster an inclusive and supportive working environment where employees feel valued for their contributions.

Across the Group, efforts are made to:

- Promote diversity and equal opportunity, free from gender or ethnic bias
- Ensure a safe and healthy working environment
- Attract and retain highly qualified professionals
- Embed social responsibility into daily operations

Employee performance, not gender or background, drives career development, wage adjustments, and strategic alignment with the Group's objectives.

Reporting on gender equality and anti-discrimination

The Board of Directors of General Oceans AS consists of three men and two women, with a male Chair. Group-wide, the gender distribution is 74% male and 26% female.

General Oceans complies with anti-discrimination laws in all jurisdictions where it operates and proactively promotes equality and fairness. The Group ensures:

- Equal pay for work of equal value
- Annual performance-based salary adjustments
- Transparent, merit-based evaluation criteria

Salary differences reflect roles, responsibilities, qualifications, performance, and market competition in respective regions.

Working environment

The Board considers the working environment across the General Oceans Group to be strong and positive. In 2024, there were:

- No reported workplace accidents or injuries
- No incidents of harassment or discrimination

The Group commends the adaptability and cooperation of employees during periods that required flexibility and improvisation.

Environmental impact

The production of subsea equipment at General Oceans, like most industrial manufacturing, carries an environmental impact stemming from both the sourcing of raw materials and energy use in the manufacturing processes. Despite this, the company is well-positioned to contribute positively by supplying ocean monitoring equipment to the scientific community, supporting efforts to study, understand, and protect marine ecosystems.

Key environmental practices include:

- Releasing no harmful emissions into air or water
- Responsibly recycling or disposing of waste, which is primarily non-hazardous
- Processing a limited quantity of waste on-site and thereafter using licensed disposal firms

Further details on the Group's environmental, climate, and social performance – including gender pay gap data – are available in the ESG section on pages 16-17.

Directors' and Officers' liability insurance

General Oceans maintains comprehensive insurance coverage across the Group, including:

- Professional indemnity and general liability at the corporate level
- Localised insurance for operational risks, such as property and employee cover

A Directors' and Officers' (D&O) liability insurance policy is in place for the entire Group. This policy covers board members, the president, and senior management against personal legal liabilities, including legal defense and associated costs.

Transparency act

New regulations from 2022 onwards require enterprises to report where the annual accounts can be accessed. The annual reports from General Oceans will no later than 30th of June 2025 be published on the General Oceans website www.generaloceans.com.

Outlook

Despite ongoing geopolitical uncertainty, the outlook for the blue economy remains positive. The ocean technology sector continues to thrive, driven by:

- Strong demand for decarbonisation and offshore renewable energy
- Heightened investment in subsea technologies for defense and critical infrastructure protection
- Increasing prioritisation of scientific research on ocean health and climate change

Offshore renewables

Offshore wind continues to dominate the offshore renewable energy sector, and despite challenging economic conditions over the past few years, new wind farms are being constructed in both the mature markets of northeast Europe and emerging markets such as Asia Pacific. In addition, rapid growth of the industry over the past decade means an ongoing requirement for operations and maintenance activities. Our technologies are used across the lifecycle of a wind farm, from initial site characterisation through to operations in a fully developed site.

Technology trends include electrification and decarbonisation of vessel movements and operations (including subsea vehicles); multi-use of remote platforms such as floating LIDAR buoys; and increased interest in biological and ecological impacts. The Group is well positioned to address these trends, with Reach Robotics' electric manipulators, Tritech's imaging sonars, and Nortek's easily integrated robust ADCPs.

Defense and security

Recent years have seen a significant increase in attention to underwater situational awareness. Investment in autonomous and sensing technologies has surged, creating opportunities for the Group.

The growing use of subsea drones requires supporting sensor and navigation instrumentation. General Oceans' proven commercial technologies are increasingly adapted for these applications.

As well as applying commercial sonars and DVLs to the defense sector, bespoke products, such as FUSION ROV from SRS and Klein's 5900 MCM survey system, have been developed specifically with military operators in mind.

These systems support the protection of critical national infrastructure in an evolving geopolitical landscape.

Ocean research

As we near the midpoint of the UN Decade of Ocean Science for Sustainable Development, demand for robust oceanographic instrumentation continues to grow. In 2024, global temperatures exceeded the 1.5°C Paris Agreement limit for the first time, underlining the importance of ocean research.

General Oceans supports global research efforts by:

- Providing high-accuracy, long-service-lifetime instruments for autonomous platforms
- Collaborating with academic and research institutions worldwide

The Group's long-standing partnerships and technological innovation make it a preferred partner for advancing climate and oceanographic research.

Summary

In a complex and dynamic global environment, the blue economy offers significant opportunities. General Oceans is well positioned to serve evolving customer needs and drive sustainable growth across its core markets in energy, defense, and science.

Board of directors

The members of the Board of Directors have signed the financial statements pursuant to their statutory obligations under The Norwegian Civil Code.

Oslo, 23 April 2025

Electronically signed	*Electronically signed*	*Electronically signed*
STEIN DALE Chair of the Board of Directors	**ASTA ELLINGSEN STENHAGEN** Director	**KIM STEINSLAND** Director
Electronically signed	*Electronically signed*	
TORFINN KILDAL Director	**SASKIA JOSEPHINE STERUD** Director	

Corporate governance report

General Oceans AS (the "Company, the Group, or General Oceans") seeks to comply with the principles of corporate governance as set out in the Norwegian Code of Practice for Corporate Governance (the "Code" or the "Code of Practice"). This report sets out General Oceans' main corporate governance policies and practices. The application of the Code is based on the "comply or explain" principle.

Good corporate governance is important for General Oceans, and the Company continuously works on its corporate governance principles, documents, and the procedures of its governing bodies (Board of Directors, Leadership Team) to ensure alignment of its practices with the Code. Like most companies, General Oceans is dependent upon good relations with its stakeholders to succeed, and this is a priority for the Group. A good reputation and solid financial development over time is important so we can build and maintain stakeholder trust and confidence. This includes customers, investors, suppliers, employees, advisors, partners, and public authorities. It requires good control and oversight of the business, as well as transparent reporting of financial results and material events. Equal treatment of shareholders is also important to increase share value and maintain investor confidence.

General Oceans is aware of its responsibility in society; comprising anti-corruption, working environment, discrimination, environment, employees, and human rights.

The purpose of the corporate governance policy is to ensure appropriate separation of roles and responsibilities between shareholders, the board, and management, as well as to ensure satisfactory controls of the Group's business activities. The board and management perform an annual assessment of its principles for corporate governance.

Deviations from the Code: None

Business

General Oceans AS is a holding and management company, and its business is connected to the ownership in its subsidiaries, each of which is engaged in the ocean technology business.

The Board of Directors sets the direction of the Group by determining the objectives, strategy, and risk profile of the Group, so it creates and sustains value for shareholders, while taking financial, social, and environmental considerations into account. These objectives, strategies, and risk profiles are evaluated on an annual basis by the Board of Directors through a strategic review process. Information concerning the objectives and principal strategies of the Group and changes thereto, as well as aspects of business risks, will be disclosed to the market in the context of the Group's annual report, marketing presentations, and on the Group's website.

Deviations from the Code: None

Equity and dividends

General Oceans strives for a strong balance sheet. The Board of Directors and the leadership team meet regularly to monitor the Group's capital structure including equity structure/levels, so they remain appropriate for the Group's objectives, strategy, and risk profile. Authorisations to the Board of Directors to increase the Company's share capital are granted with a defined purpose, and limited to no later than 24 months from the date of granting. General Oceans has ambitious goals for future growth and the overall objective is to create long-term value for its owners. To reach these goals, the Group will endeavour to have an optimal capital structure.

Excess capital will be evaluated on a continuous basis, taking into consideration, among other market conditions – regulatory requirements, counterparty and market perceptions, as well as the Group risk profile. The Board of Directors endeavours to periodically return excess capital to shareholders through dividends. This will require authorisation from the General Assembly.

Deviations from the Code: None

Equal treatment of shareholders and free trade of shares

General Oceans is dedicated to ensuring equitable treatment for all shareholders. The Shareholders' Agreement, last updated on 15th December 2023, regulates the conduct of every shareholder within the company. Notably, large shareholders hold a right of first refusal, further supported by an arrangement allowing one of the significant shareholders to augment their shareholding to 34% of the issued shares.

Comprehensive governance provisions are outlined in the Shareholders' Agreement, covering aspects such as the Board composition and proceedings, liquidity event considerations, and other governance matters related to shares.

Deviations from the Code: None

General assembly

The General Assembly is open to all shareholders of the Company, and the Board of Directors strives to ensure that as many as possible of the Company's shareholders participate in the General Assembly. The Company will send out a Notice of the General Assembly within the time limits set by applicable requirements. An agenda, documents, and information about the matters to be resolved will be included in the Notice, so shareholders can be prepared and informed on the issues to be decided upon at the General Assembly. Shareholders can vote on each individual matter, and those unable to attend the meeting in person or electronically may vote by proxy. A proxy form is included in the Notice convening the General Assembly. Any deadline for shareholders to give notice of their intention to attend the meeting will be set as close to the date of the General Assembly as possible. The General Assembly can elect an independent chairperson for the General Assembly and a shareholder may be represented through power of attorney.

Minutes of the General Meeting of Shareholders are taken, and the Board of Directors keeps records of all resolutions in writing. The records shall be deposited at the Company's office for inspection by the shareholders and persons with meeting rights. On application, each will be provided with a copy/extract from the records as required.

Deviations from the Code: None

Board of directors and executive management

The Norwegian Companies Act (Aksjeloven) stipulates that the Board of Directors shall be elected by the General Assembly, normally for a period of one year. The composition of the Board of Directors aims to ensure that the interests of all shareholders are attended to, and that the roles and responsibilities of management are clearly defined, that corporate governance requirements are met, and that they meet the Company's need for expertise, capacity, and diversity, while at the same time functioning effectively as a collegiate body.

A majority of the shareholder-elected Board members are independent of executive personnel, material business contacts, or major shareholders. Members of the Board of Directors are encouraged to own shares in the Company. The Board of Directors receives a fixed yearly compensation which is decided by the General Assembly and is reflective of the Board's responsibilities, competencies, use of time, and complexity of the Company. The remuneration of the Board of Directors is not dependent on results, but Board members might be granted options for shares in the Company as part of their remuneration.

Non-Executive Board members (or companies they are affiliated with) do not normally assume tasks for the Company in addition to the Board position. If such a commitment were to be established, the entire Board would be informed and the fee for any engagement would be subject to Board approval. If remuneration is given to the members of the Board beyond the Board fee, this will be stated in the annual report. The remuneration of the Board of Directors and key management personnel are set out in note 8 in the Consolidated Financial Statements.

The President is responsible for the daily management and operations of General Oceans and is supported in his tasks by members of the Leadership Management Team. His responsibilities include setting and achieving the Group's strategic risks, legal compliance, and social responsibility matters that are relevant to General Oceans' business. The President is accountable in these areas to the Board of Directors. In performing his duties, the President is guided by the interests of the Group, taking into consideration the interests of General Oceans' stakeholders. The President provides the Board of Directors with all information necessary to help exercise the duties of the Board of Directors in a timely manner. Furthermore, the President consults with the Board of Directors on important matters and submits important decisions to the Board of Directors for its approval in advance.

The Leadership Team is a lean group of experts in their respective fields. They support our brands in scaling more quickly, nurturing the best talent, and funding and organisation of collaborative projects. This is done by successfully combining the knowledge and business acumen that exists across the Group. The Leadership Team is made up of the President, Chief Financial Officer, the Chief People Officer, the Group Analyst, and the Group Marketing Manager.

Deviations from the Code: None

Board committees

The board does not have any other sub-committees, but will evaluate this need on an ongoing basis.

Risk management and internal control

The board shall ensure that the Group has sound internal control and systems for risk management that are appropriate in relation to the extent and nature of the Group's activities.

The objective of risk management and internal control is to ensure the successful conduct of the Group's business and to support the quality of its financial reporting.

The Board of Directors meets regularly to assess and review the strategy and risk factors of the Group. The Board of Directors receives updated financial information at every Board meeting. The financial position is analysed and compared against budgets, strategic plans, and last year's performance. The Board of Directors reviews the management reports, and risk factors for the Group are discussed and evaluated. The Board of Directors has an annual review, together with the Auditor, before approving the Annual Report.

Deviations from the Code: None

Compensation to management

It is important for General Oceans that it is recognised as an attractive employer. The Group strives to attract competent employees with relevant experience and give them opportunity for further development. Compensation is always determined at the market rate and is reviewed at appropriate intervals.

The Company will establish and implement guidelines for the remuneration of the executive management, which will be presented to the General Assembly. The principles presented in such guidelines provide a framework for the remuneration of key personnel within General Oceans and aim to support the Group's business strategy and long-term interests.

The Company has established financial incentives for employees which include a bonus arrangement. Some employees are also shareholders. Key management personnel are included in the same pension and insurance plan as other employees, as determined in their respective domestic jurisdictions. An option scheme may be established for key management personnel as a part of a future listing of the Company.

The Board of Directors sets terms and conditions for the President. The President determines the remuneration of executive personnel based on the guidelines established by the Board of Directors, reflecting the overall guidelines to be adopted by the General Assembly. Terms and Conditions are set at market terms and evaluated on an annual basis.

Deviations from the Code: None

Information and communication

The Company wishes to maintain an open dialogue with shareholders, potential investors, and other stakeholders in the securities market. The Company will, before a listing, establish principles for investor relations which include guidelines for the Company's contact with shareholders as well as the financial community.

Auditor

In addition to serving as the Group's auditor, the independent auditor firm is also used as an external consultant in respect of accounting issues, tax calculations, and issues. The auditor is not used when establishing the company strategy or in other operational matters. Only the President or the Chief Financial Officer can procure non-audit services of the auditor.

The auditor participates in the Board meeting where approval of the annual report takes place. In this meeting, the auditor reports to the Board its views on accounting matters and principles, risk areas, and internal control matters. The Auditor participates in other meetings at the Board's request when the auditor's view on a specific matter may be required.

Compensation to the auditor for both audit and non-audit related services, is set by the General Assembly and is described in the Notes to the Consolidated Financial Statements.

Deviations from the Code: None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CONSOLIDATED STATEMENT OF **PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

(For the year ended 31 December)

NOK (thousands)	NOTE	2024	2023
Revenue	6	957,068	808,769
Other income	7	4,406	7,209
Raw materials		(319,815)	(247,986)
Employee benefits	8	(371,141)	(278,114)
Depreciation and amortisation expense	14, 15, 16	(59,385)	(49,047)
Impairment of goodwill	16	–	(117,321)
Other operating expense	9	(142,962)	(162,762)
OPERATING PROFIT / (LOSS)		**68,171**	**(39,252)**
Finance income	10	41,228	23,025
Finance expense	10	(46,960)	(35,867)
Share of gains / (losses) from an associate	17	(1,782)	(3,392)
PROFIT / (LOSS) BEFORE TAX		**60,657**	**(55,486)**
Income tax expense	11	(21,475)	(17,039)
PROFIT / (LOSS)		**39,182**	**(72,525)**
Other comprehensive income			
Foreign currency translation differences of foreign operations		49,870	25,740
OTHER COMPREHENSIVE INCOME, NET OF TAX		**49,870**	**25,740**
TOTAL COMPREHENSIVE INCOME / (LOSS)		**89,052**	**(46,785)**
(LOSS) / EARNINGS PER SHARE (NOK)			
Basic earnings / (loss) per share	13	0.70	(1.48)

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF **FINANCIAL POSITION**

(As at 31 December))

NOK (thousands)	NOTE	2024	2023
ASSETS			
Non-current assets			
Property, plant, and equipment	14	178,447	159,283
Right-of-use assets	15	86,321	75,976
Intangible assets	16	319,006	252,006
Investment in an associate	17	–	273
Derivative financial assets	18	–	3,379
Other receivables	20, 30	–	12,327
Deferred tax assets	11	24,122	7,362
		607,896	**510,606**
Current assets			
Inventories	19	234,534	205,744
Trade and other receivables	20	188,412	153,401
Contract assets	6	3,787	506
Derivative financial assets	18	–	3,569
Cash and cash equivalents	21	281,632	172,652
		708,365	**535,872**
TOTAL ASSETS		**1,316,261**	**1,046,478**
LIABILITIES			
Non-current liabilities			
Contract liabilities	24	93	644
Loans and borrowings	22	38,407	126,480
Lease liabilities	15	77,282	67,187
Derivative financial liabilities	18	3,216	2,058
Other long term payables	29	5,542	–
Deferred tax liability	11	46,942	43,748
		171,482	**240,117**
Current liabilities			
Trade and other payables	23	130,658	114,826
Contract liabilities	24	96,243	20,982
Loans and borrowings	22	144,424	14,065
Lease liabilities short term	15	15,118	13,236
Derivative financial liabilities	18	6,932	–
Income tax payable	11	33,015	17,972
		426,390	**181,081**
TOTAL LIABILITIES		**597,872**	**421,198**
NET ASSETS		**718,389**	**625,280**
EQUITY			
Share capital	25	5,615	5,570
Share premium reserve	25	549,127	535,115
Foreign exchange reserve		113,247	63,377
Retained earnings		50,400	21,218
TOTAL EQUITY		**718,389**	**625,280**

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF **FINANCIAL POSITION** (cont.)

(As at 31 December))

Oslo, 19 April 2025, Board of Directors

Electronically signed	*Electronically signed*	*Electronically signed*
STEIN DALE Chair of the Board of Directors	**ASTA ELLINGSEN STENHAGEN** Director	**KIM STEINSLAND** Director
Electronically signed	*Electronically signed*	
TORFINN KILDAL Director	**SASKIA JOSEPHINE STERUD** Director	

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF **CHANGES IN EQUITY**

(For the year ended 31 December)

NOK (thousands)	NOTE	Share capital	Share premium reserve	Foreign exchange reserve	Retained earnings	Total equity
BALANCE AT 1 JANUARY 2023		**4,858**	**325,855**	**37,637**	**118,743**	**487,093**
Comprehensive income for the year						
Loss for the year		–	–	–	(72,525)	(72,525)
Other comprehensive income						
Foreign currency translation differences		–	–	25,740	–	25,740
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		–	–	**25,740**	**(72,525)**	**(46,785)**
Contribution by and distribution to owners						
Issue of shares		712	209,260	–	–	209,972
Dividends	12	–	–	–	(25,000)	(25,000)
TOTAL TRANSACTIONS WITH OWNERS		**712**	**209,260**	–	**(25,000)**	**184,972**
BALANCE AT 31 DECEMBER 2023		**5,570**	**535,115**	**63,377**	**21,218**	**625,280**
BALANCE AT 1 JANUARY 2024		**5,570**	**535,115**	**63,377**	**21,218**	**625,280**
Comprehensive income for the year						
Profit for the year		–	–	–	39,182	39,182
Other comprehensive income						
Foreign currency translation differences		–	–	49,870	–	49,870
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		–	–	**49,870**	**39,182**	**89,052**
Contribution by and distribution to owners						
Issue of shares	25	45	14,012	–	–	14,057
Dividends	12	–	–	–	(10,000)	(10,000)
TOTAL TRANSACTIONS WITH OWNERS		**45**	**14,012**	–	**(10,000)**	**4,057**
BALANCE AT 31 DECEMBER 2024		**5,615**	**549,127**	**113,247**	**50,400**	**718,389**

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF **CASH FLOWS**

(For the year ended 31 December)

NOK (thousands)	NOTE	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit / (loss) for the year		39,182	(72,525)
Adjustments for:			
Net losses from sales of assets		(133)	150
Depreciation and amortisation expense	14, 15, 16	60,197	50,149
Impairment of goodwill	16	-	117,321
Bad debt provision	20	49	21
Net finance expenses	10	5,732	12,842
Share of losses from an associate	17	1,782	3,392
Income tax expense	11	21,475	17,039
Increase in inventories	19	(26,888)	(37,664)
Decrease in trade and other receivables		11,119	20,877
(Increase) decrease in contract assets		(3,281)	2,720
Decrease in trade and other payables		(13,694)	(28,006)
Increase (decrease) in contract liabilities		75,261	(68)
Cash generated from operations		170,801	86,248
Income taxes paid		(30,967)	(22,028)
Interest paid		(9,664)	(16,484)
NET CASH GENERATED FROM OPERATING ACTIVITIES		**131,170**	**47,736**
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		18,871	3,465
Capital injection to an associate	17	(1,075)	(2,543)
Proceeds from sale of assets	14	1,008	3,553
Purchase of intangible assets	16	(2,221)	(7,065)
Purchases of plant and equipment	14	(15,666)	(23,909)
Acquisition of subsidiaries (net of cash)	29	(42,372)	(122,164)
NET CASH USED IN INVESTING ACTIVITIES		**(41,455)**	**(148,663)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from interest bearing loans	22	198,160	172,965
Repayment of interest bearing loans	22	(155,892)	(233,062)
Lease liabilities repaid	15	(18,241)	(14,574)
Dividends paid	12	(10,000)	(25,000)
Issue of shares	25	-	209,972
NET CASH GENERATED FROM FINANCING ACTIVITIES		**14,027**	**110,301**
NET INCREASE IN CASH AND CASH EQUIVALENTS		**102,742**	**9,374**
Cash and cash equivalents at beginning of year		172,652	153,824
Effect of foreign exchange rate changes		6,238	9,454
CASH AND CASH EQUIVALENTS AT END OF YEAR		**281,632**	**172,652**

The accompanying notes are an integral part of these consolidated financial statements.

Notes to the consolidated financial statements

Notes to the consolidated financial statements

NOTE 1 | CORPORATE INFORMATION

General Oceans AS (the "Company") was incorporated on 7 April 2021 in Norway. The principal activities of the Company and its subsidiaries (the "Group") is developing and manufacturing oceanographic sensors, underwater vehicle systems, robotic manipulators, and software.

The registered office of the Company is Vangkroken 2, RUD, 1351, Norway.

The consolidated financial statements are presented in Norwegian Kroner ("NOK"), which is also the Company's functional currency. Amounts are rounded to the nearest thousand, unless otherwise stated.

NOTE 2 | ADOPTION OF NEW AND REVISED STANDARDS

New and amended IFRS Accounting Standards that are effective for the current year

In the current year, the Group has applied the following amendment to IFRS Accounting Standards issued by the International Accounting Standards Board ("IASB") that are mandatorily effective for an accounting period that begins on or after 1 January 2024. Their adoption has not had any material impact on the disclosures or on the amounts reported in these consolidated financial statements.

New and revised IFRS Accounting Standards in issue but not yet effective

At the date of authorisation of these financial statements, the Group has not applied the following new and revised IFRS Accounting Standards that have been issued but are not yet effective:

Amendments to IAS 21	Lack of Exchangeability
IFRS 18	Presentation and Disclosure in Financial Statements (effective 2027)
Amendments to IFRS 9	Financial Instruments
IFRS 19	Subsidiaries without Public Accountability: Disclosures

The Board of Directors of the Group (the "Board") do not expect that the adoption of the Standards listed above will have a material impact on the financial statements of the Group in future periods.

IFRS 18 PRESENTATION AND DISCLOSURE IN THE FINANCIAL STATEMENTS

IFRS 18 replaces IAS 1, carrying forward many of the requirements in IAS 21 unchanged and complementing them with new requirements. In addition, some IAS 1 paragraphs have been moved to IAS 8 and IFRS 7. Furthermore, IASB has made minor amendments to IAS 7 and IAS 33 Earnings per Share.

IFRS 18 introduces new requirements to:

- Present specified categories and defined subtotals in the statement of profit or loss
- Provide disclosures on management-defined performance measures (MPMs) in the notes to the financial statements
- Improve aggregation and disaggregation

An entity is required to apply IFRS 18 for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted. The amendments to IAS 7 and IAS 33, as well as the revised IAS 8 and IFRS 7, become effective when an entity applies IFRS 18. IFRS 18 requires retrospective application with specific transition provisions.

The Board of Directors of the Group ('the Board') anticipate that the application of these amendments may have an impact on the Group's consolidated financial statements in future periods.

NOTE 3 | MATERIAL ACCOUNTING POLICIES

The Group has consistently applied the following accounting policies to all periods presented in these consolidated financial statements, except if mentioned otherwise.

Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards and International Accounting Standards as issued by the IASB and Interpretations (collectively "IFRS"), as adopted by the European Union, as well as additional Norwegian reporting requirements pursuant to the Norwegian Accounting Act.

The consolidated financial statements have been prepared on a historical cost basis, except for the following items (refer to individual accounting policies for details):

- Derivative financial instruments – fair value through profit or loss

The accounting policies adopted are set out below.

Going concern

The Board has, at the time of approving the financial statements, a reasonable expectation that the Group have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the parent company and entities controlled by the parent company (its subsidiaries) made up to 31 December each year. Control is achieved when the parent company:

- Has the power over the investee
- Is exposed, or has rights, to variable returns from its involvement with the investee
- Has the ability to use its power to affect its returns

The parent company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the parent company obtains control over the subsidiary and ceases when the parent company loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in profit or loss from the date the parent company gains control until the date when the parent company ceases to control the subsidiary.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the Group accounting policies.

All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree, and the equity interest issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their fair value at the acquisition date.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Goodwill

Goodwill is initially recognised and measured as set out above.

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Investment in an associate

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of the associate are incorporated in these financial statements using the equity method of accounting.

Under the equity method, an investment in an associate is recognised initially in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

If there is objective evidence that the Group's net investment in an associate is impaired, the requirements of IAS 36 Impairment of Assets are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised is not allocated to any asset, including goodwill that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

When a Group entity transacts with an associate of the Group, profits and losses resulting from the transactions with the associate are recognised in the Group's consolidated financial statements only to the extent of interests in the associate that are not related to the Group.

Revenue

The Group recognises revenue from the following major sources:

- Product sales
- Services

Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control of a product or service to a customer.

PRODUCT SALES

The Group sells sensors, operational platforms, and subsea vehicles to customers. Sometimes, these products are customized extensively. However, this customisation does not limit the Group's ability to resell the products if an order is cancelled, albeit such cancellations are rare.

Revenue is recognised when control of the products has transferred, generally being when the Group has made the products available to the customer. The Group acts as a principal in the transaction, as it has control over the products before their transfer to the customer. A receivable is recognised by the Group when the products are made available to the customer, as this represents the point in time at which the right to consideration becomes unconditional, with only the passage of time being required before payment is due.

SERVICES

The Group sells various supporting services in relation to its products, such as repairs and maintenance, short-term equipment rental, staff deployment, and training services.

Service revenue is recognised at a point in time or over time, depending on the performance obligations involved in the services. For services performed and completed at a specific point in time, revenue is recognised at the point in time when the Group has rendered the services at their stand-alone selling prices.

The Group applies the practical expedient for certain short-term services where the Group has a right to consideration from a customer in an amount that corresponds directly with the value to the customer of the Group's performance completed to date. The Group recognises revenue on these services in the amount to which the Group has a right to invoice.

WARRANTY RELATING TO PRODUCT SALES

The Group provides warranties for general repairs of equipment with defects that existed at the time of sale. This service relates to maintenance work that may be required to be carried out on the equipment for a 12-month period after sale or over the service period. These assurance-type warranties are accounted for as warranty provisions in accordance with IAS 37 Provisions, Contingent Liabilities, and Contingent Assets. Refer to the accounting policy on warranty provisions in note 3.

The Group also provides options for customers to extend the warranty at an additional cost. These service-type warranties are considered to be a distinct service as they are supplied by the Group to customers on a stand-alone basis. Revenue relating to the extended warranty services is recognised over time. The transaction price allocated to these services is recognised as a contract liability at the time of the initial sales transaction and is released on a straight-line basis over the period of service.

SIGNIFICANT FINANCING COMPONENTS

The Group does not have any contracts where the period between the transfer of the promised products to the customer and payment by the customer exceeds one year.

The Group receives an upfront payment for extended warranty services, which covers the entire service period. This upfront payment is intended to reduce administration costs. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

Leases

THE GROUP AS A LESSEE

The Group assesses whether a contract is, or contains, a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (which mainly consist of small items of office furniture). For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date
- The amount expected to be payable by the lessee under residual value guarantees

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used)
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the right-of-use asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, Plant, and Equipment' policy.

THE GROUP AS A LESSOR

The Group enters into lease agreements as a lessor with respect to some of its buildings.

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Foreign currencies

In preparing the financial statements of the Group entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences are recognised in profit or loss in the period in which they arise.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing on the reporting date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in a foreign exchange reserve.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in other comprehensive income.

Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attached to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

Defined contribution schemes

The Group provides defined contribution retirement benefit plans for all employees. Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions. Payments made to state-managed retirement benefit plans are accounted for as payments to defined contribution plans where the Group's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

Short-term and other long-term service benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured using the projected unit credit method and then discounted using yields available on high-quality corporate bonds that have maturity dates approximating to the expected remaining period to settlement and are denominated in the same currency as the post-employment benefit obligations.

Taxation

The income tax expense represents the sum of current and deferred income tax expense.

CURRENT TAX

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

A provision is recognised for those matters for which the tax determination is uncertain but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the parent company supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

DEFERRED TAX

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, a deferred tax liability is not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the reporting date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

CURRENT TAX AND DEFERRED TAX FOR THE YEAR

Current and deferred tax are recognised in profit or loss. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Property, plant, and equipment

Freehold land is not depreciated.

Plant, machinery, fixtures, and fittings are stated at cost less accumulated depreciation and accumulated impairment loss.

Depreciation is recognised so as to write off the cost or valuation of assets (other than freehold land) less their residual values over their useful lives, using the straight-line method in accordance with note 14.

The estimated useful lives, residual values, and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Right-of-use assets are depreciated over the shorter period of the lease term and the useful life of the underlying asset.

An item of property, plant, and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Intangible assets

EXTERNALLY ACQUIRED INTANGIBLE ASSETS

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives which are disclosed in note 16. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

INTANGIBLE ASSETS ACQUIRED IN A BUSINESS COMBINATION

Intangible assets acquired in a business combination and recognised separately from goodwill are recognised initially at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

INTERNALLY GENERATED INTANGIBLE ASSETS (DEVELOPMENT COSTS)

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following conditions have been demonstrated:

- The technical feasibility of completing the intangible asset 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 and to use or sell the intangible asset
- The ability to measure reliably 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 when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

DERECOGNITION OF INTANGIBLE ASSETS

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

The significant intangibles recognised by the Group, their useful economic lives and the methods used to determine the cost of intangibles acquired in a business combination are outlined in note 16.

Impairment of non-financial assets (excluding goodwill)

At each reporting date, the Group reviews the carrying amounts of its property, plant and equipment, and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with an indefinite useful life are tested for impairment at least annually and whenever there is an indication at the end of a reporting period that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease and to the extent that the impairment loss is greater than the related revaluation surplus, the excess impairment loss is recognised in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss to the extent that it eliminates the impairment loss which has been recognised for the asset in prior years. Any increase in excess of this amount is treated as a revaluation increase.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition.

Cash and cash equivalents

In the statement of financial position, cash and bank balances comprise cash and bank balances.

Bank balances for which use by the Group is subject to third-party contractual restrictions are included as part of cash unless the restrictions result in a bank balance no longer meeting the definition of cash. Contractual restrictions affecting use of bank balances are disclosed in notes 21 and 22.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

Financial instruments

Financial assets and financial liabilities are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value, except for trade receivables that do not have a significant financing component, which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

FINANCIAL ASSETS

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

(i) Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs, and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost. For financial assets other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

Interest income is recognised in profit or loss and is included in the "finance income" line item (note 10).

(ii) Financial assets at FVTPL

Derivative financial assets that do not meet the criteria for being measured at amortised cost are measured at FVTPL.

Derivative financial assets are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. Fair value is determined in the manner described in note 5.

FOREIGN EXCHANGE GAINS AND LOSSES

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. Specifically:

For financial assets measured at amortised cost that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the 'finance income' line item (note 10).

For financial assets measured at FVTPL that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the 'finance expense' line item as part of the fair value gain or loss (note 10).

IMPAIRMENT OF FINANCIAL ASSETS

The Group recognises a provision for impairment on trade and other receivables. The amount of provision for impairment is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

Impairment provisions for trade receivables are recognised based on the simplified approach in the determination of the lifetime expected credit losses. Under this approach, the Group assesses the credit risk of each customer individually, taking into account factors such as their financial position, payment history, and current economic conditions. The Group considers a range of scenarios to assess the likelihood of default and the potential loss. For trade receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognised in profit or loss. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

Impairment provisions for other receivables are recognised based on a forward-looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since the initial recognition of the financial asset. For those where the credit risk has not increased significantly since the initial recognition of the financial asset, 12-month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

The measurement of provision for impairment is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default), and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

For financial assets, the provision for impairment is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

FINANCIAL LIABILITIES AND EQUITY

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Repurchase of the parent company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue, or cancellation of the parent company's own equity instruments.

Financial liabilities at amortised cost

All financial liabilities are measured subsequently at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments. These foreign exchange gains and losses are recognised in the 'finance expense' line item in profit or loss (note 10) for financial liabilities that are not part of a designated hedging relationship.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

When the Group exchanges with the existing lender one debt instrument into another one with substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, the Group accounts for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability. It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. If the modification is not substantial, the difference between: (1) the carrying amount of the liability before the modification; and (2) the present value of the cash flows after modification is recognised in profit or loss as the modification gain or loss.

DERIVATIVE FINANCIAL INSTRUMENTS

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts and interest rate swaps. Further details of derivative financial instruments are disclosed in note18.

Derivatives are recognised initially at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability. Foreign-exchange forward contracts are offset in the financial statements as the Group has both a legally enforceable right and intention to offset. The impact of the master netting agreements on the Group's financial position is disclosed in note 18. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

WARRANTIES

Provisions for the expected cost of warranty obligations under local sale of goods legislation are recognised at the date of sale of the relevant products, at the directors' best estimate of the expenditure required to settle the Group's obligation.

DILAPIDATION

Provisions for the costs to restore leased plant assets to their original condition, as required by the terms and conditions of the lease, are recognised when the obligation is incurred, either at the commencement date or as a consequence of having used the underlying asset during a particular period of the lease, at the Board's best estimate of the expenditure that would be required to restore the assets. Estimates are regularly reviewed and adjusted as appropriate for new circumstances.

Dividends

Dividends are recognised when they become legally payable. In the case of dividends to equity shareholders, this is when they are approved by the shareholders at the General Assembly.

NOTE 4 | CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

In applying the Group's accounting policies, which are described in note 3, the Board is required to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Critical judgments in applying the Group's accounting policies

The following are the critical judgments, apart from those involving estimations (which are presented separately below), that the Board have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in financial statements.

- Revenue recognition – timing of satisfaction (see note 3 and 6)

Estimates and assumptions

- Deferred tax assets – estimate of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilised (see note 11)
- Impairment of goodwill – estimate of future cash flows and determination of the discount rate (see note 16)
- Lease liabilities – estimate of incremental borrowing rate used to measure lease liabilities (see note 15)

NOTE 5 | FINANCIAL RISK MANAGEMENT

Overview

The Group's activities expose it to a variety of financial risks, which can be categorised as:

- Currency risk
- Interest rate risk
- Credit risk
- Liquidity risk

There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies, and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

Financial instruments by category

The following table combines information about:

- Classes of financial instruments based on their nature and characteristics
- The carrying amounts of financial instruments
- Fair values of financial instruments (except financial instruments when carrying amount approximates their fair value)

NOK (thousands)	2024	2023
FINANCIAL ASSETS		
Financial assets at amortised cost:		
Trade and other receivables	170,987	153,214
Cash and cash equivalents	281,632	172,652
Derivative financial assets	–	6,948
TOTAL FINANCIAL ASSETS	**452,619**	**332,814**
FINANCIAL LIABILITIES		
Financial liabilities at amortised cost:		
Trade and other payables	92,956	86,339
Loans and borrowings	182,831	140,545
Derivative financial liabilities	10,148	2,058
TOTAL FINANCIAL LIABILITIES	**285,935**	**228,942**

Fair value measurement

A number of assets and liabilities included in the Group's financial statements require measurement at, and/or disclosure of, fair value. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows underneath the table.

NOK (thousands)	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
AT 31 DECEMBER 2024				
Financial assets				
Derivative financial assets	–	–	–	–
TOTAL FINANCIAL ASSETS	**–**	**–**	**–**	**–**
Financial liabilities				
Derivative financial liabilities	–	10,148	–	10,148
TOTAL FINANCIAL LIABILITIES	**–**	**10,148**	**–**	**10,148**

NOK (thousands)	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
At 31 December 2023				
Financial assets				
Derivative financial assets	–	6,948	–	6,948
TOTAL FINANCIAL ASSETS	–	**6,948**	–	**6,948**
Financial liabilities				
Derivative financial liabilities	–	2,058	–	2,058
TOTAL FINANCIAL LIABILITIES	–	**2,058**	–	**2,058**

There were no transfers between levels during the current or prior year.

Derivative financials instruments are fair valued by the 3rd party provider of these derivatives.

Fair value hierarchy levels 1 to 3 are based on the degree to which the fair value is observable:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs)

The classification of an item into the above levels is based on the lowest level of the inputs used that has a significant effect on the fair value measurement of the item. The Group's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period.

Financial risk management objectives

The Group's CFO provides services to the business, coordinates access to domestic and international financial markets, and monitors and manages the financial risks relating to the operations of the Group through internal risk reports, which analyses exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk, and price risk), credit risk and liquidity risk.

The Group seeks to minimise the effects of these risks by using derivative financial instruments to hedge these risk exposures. The use of financial derivatives is governed by the Group's policies approved by the Board, which provide written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

The Group's CFO reports regularly to the Board, which monitors risks and policies implemented to mitigate risk exposures.

Market risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates (see below). The Group enters into a variety of derivative financial instruments to manage its exposure to foreign currency and interest rate risk, including:

- Forward foreign exchange contracts to hedge the exchange rate risk
- Interest rate swaps to mitigate the risk of rising interest rates

Although the derivatives have not been designated in a hedge relationship, they act as an economic hedge and will offset the underlying transactions when they occur.

There has been no change to the Group's exposure to market risks or the manner in which these risks are managed and measured.

CURRENCY RISK

The Group undertakes transactions denominated in foreign currencies. Consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilising forward foreign exchange contracts.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

	ASSETS		LIABILITIES	
NOK (thousands)	**2024**	**2023**	**2024**	**2023**
United States dollar ("USD")	117,408	110,779	161,765	148,028
Great Britain pound ("GBP")	33,369	950	59,735	1,342
Australian dollar ("AUD")	115	–	1,725	–
Euro ("EUR")	8,522	10,299	4,233	292
Others	14,066	6,027	7,610	3,726
	173,480	**128,055**	**235,068**	**153,388**

Foreign currency sensitivity analysis

The Group is mainly exposed to USD.

The following tables demonstrate the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant. A positive number below indicates an increase in profit and equity where USD strengthens against NOK. For the weakening of USD against NOK, there would be a comparable impact on the profit and equity, and the balances below would be negative.

The movement in the pre-tax effect is a result of a change in the fair value of derivative financial instruments not designated in a hedge relationship and monetary assets and liabilities denominated in USD, where the functional currency of the entity is a currency other than USD.

The Group's exposure to foreign currency changes for all other currencies is not material.

NOK (thousands)	Change in USD rate	Effect on profit before tax	Effect on pre-tax equity
2024	+10%	(4,436)	–
	-10%	4,436	–
2023	+10%	(3,725)	–
	-10%	3,725	–

INTEREST RATE RISK

The Group is exposed to interest rate risk because entities in the Group borrow funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix between fixed- and floating-rate borrowings, and by the use of interest rate swap contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite; ensuring the most cost-effective hedging strategies are applied.

The Group's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

The Group is exposed to SOFR (2023: SOFR). The exposures arise on the Group's loans and borrowings.

Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the reporting date. For floating-rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the reporting date was outstanding for the whole year. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

NOK (thousands)	Effect on profit before tax 2024	Effect on profit before tax 2023
Interest rates – increase by 100 basis points	(43)	–
Interest rates – decrease by 100 basis points	43	–

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. As at 31 December 2024 and 31 December 2023, the Group's maximum exposure to credit risk without taking into account any collateral held or other credit enhancements, which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties, arises from its trade and other receivables and contract assets.

It is Group policy, implemented locally, to assess the credit risk of new customers before entering into contracts. The Group's customers are typically defense, public-sector, or public-sector-sponsored institutions. They are generally considered to have a good rating and are thereby considered low risk in credit terms. The customer's credit quality is based on historic experience, its current financial position, and other factors.

Credit risk also arises from cash and cash equivalents, and deposits with banks and financial institutions. Further disclosures regarding trade and other receivables, which are neither past due nor impaired, are provided in note 20.

Liquidity risk

Ultimate responsibility for liquidity risk management rests with the Board, which has established an appropriate liquidity risk management framework for management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves and banking facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. The Group's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. To achieve this aim, it seeks to maintain cash balances (or agreed facilities) to meet expected requirements for a period of at least 90 days.

The following tables detail the Group's remaining contractual maturity for its financial liabilities with agreed repayment periods. For non-derivative financial liabilities, the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows. To the extent that interest cash flows are floating rate, the undiscounted amount is derived from interest rate curves at the reporting date.

For the foreign exchange forward contracts which are settled on a net basis, undiscounted net cash outflows are presented based on contractual maturities. The undiscounted amounts are derived from exchange rates at the reporting date.

For the interest rate swap which is settled on a net basis, undiscounted net cash outflows are presented based on the expected interest payment. When the amount payable is not fixed, the amount disclosed has been determined by reference to the projected interest rates as illustrated by the yield curves existing at the reporting date.

NOK (thousands)	UP TO 3 MONTHS	BETWEEN 3 AND 12 MONTHS	BETWEEN 1 AND 2 YEARS	BETWEEN 2 AND 5 YEARS	OVER 5 YEARS
AT 31 DECEMBER 2024					
Trade and other payables	92,956	–	–	–	–
Loans and borrowings	8,065	146,018	41,057	–	–
Lease liabilities	5,031	13,278	15,643	33,737	39,858
Derivative financial liabilities – cash (inflows) / outflows	387	1,725	(9,979)	–	–
TOTAL	**106,439**	**161,021**	**46,721**	**33,737**	**39,858**
AT 31 DECEMBER 2023					
Trade and other payables	86,339	–	–	–	–
Loans and borrowings	5,637	17,801	132,236	–	–
Lease liabilities	3,777	11,132	12,218	23,975	44,884
Derivative financial liabilities – cash (inflows) / outflows	(252)	296	1,611	1,261	–
TOTAL	**95,501**	**29,229**	**146,065**	**25,236**	**44,884**

Capital risk

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from 2023.

The capital structure of the Group consists of net debt and equity of the Group.

The Group monitors capital on the basis of the debt-to-equity ratio. Debt is defined by the Group as long- and short-term borrowings and lease liabilities (excluding derivatives) as disclosed in notes 15 and 22. Net debt is defined as debt after deducting cash and cash equivalents. Equity includes share capital, reserves and retained earnings as disclosed in note 27.

Due to recent market uncertainty, the Group's strategy is to preserve a strong cash base and achieve a debt-to-adjusted-capital ratio of less than 40% (2023: <40%). The objective of this strategy is to secure access to finance at reasonable cost by maintaining a high credit rating.

The debt-to-capital ratios at 31 December 2024 and at 31 December 2023 were as follows:

NOK (thousands)	2024	2023
Loans and borrowings	182,831	140,545
Lease liabilities	92,400	80,423
Less: cash and cash equivalents	(281,632)	(172,652)
NET DEBT	**–**	**48,316**
Total Equity	718,389	625,280
Net debt to equity %	0.0%	7.7%

The Group is subject to certain externally imposed capital requirements as disclosed in note 22.

NOTE 6 | REVENUE

The Group has disaggregated revenue from contracts with customers into various categories in the following table, which is intended to depict how the nature, amount, timing, and uncertainty of revenue and cash flows are affected by economic date.

Revenue by nature

NOK (thousands)	2024	2023
At a point in time	897,145	766,810
Over time	59,923	41,959
	957,068	**808,769**

Revenue by market area

NOK (thousands)	2024	2023
Marine construction	576,203	531,920
Defense	230,984	129,431
Research	149,881	147,418
	957,068	**808,769**

Revenue from the defense market is predominantly from government contracts.

Revenue by geographic area

NOK (thousands)	2024	2023
Europe	416,738	366,147
Asia and Oceania	284,730	144,373
Americas	247,242	266,074
Rest of the world	8,358	32,175
	957,068	**808,769**

Timing of revenue recognition

NOK (thousands)	2024	2023
At a point in time	953,269	808,443
Over time	3,799	326
	957,068	**808,769**

No single customer contributed 10 per cent or more to the Group's revenue in either 2024 or 2023.

As of 31 December 2024, contract assets amounted to NOK 3,787 thousand (31 December 2023: NOK 506 thousand), representing orders that have been completed but not yet invoiced to customers.

NOTE 7 | OTHER INCOME

Other income is not considered to be part of the main revenue generating activities, the Group presents this income separately from revenue.

NOK (thousands)	2024	2023
Grants	407	3,938
Gains from sales of assets	853	1,164
Other	3,146	2,107
	4,406	**7,209**

NOTE 8 | EMPLOYEE BENEFITS

The employee costs include employee benefit plans and pensions.

NOK (thousands)	2024	2023
Wages and salaries	338,358	246,870
Social security contributions and similar taxes	26,845	26,036
Defined contribution pension cost	5,939	5,208
	371,142	**278,114**
Number of employees at year end	334	337

Key management personnel compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, including the Board of Directors, CEOs of the subsidiaries, and the CFO of the Group.

NOK (thousands)	2024	2023
Wages and salaries	14,787	16,021
Social security contributions and similar taxes	1,362	2,319
Defined contribution pension cost	783	647
	16,932	**18,987**

NOK (thousands)		Salary[1]	Pension Benefits	Other Benefits
Atle Lohrmann	**2024**	1,854	–	–
President	**2023**	1,773	–	–

[1] Salaries as expensed, excluding social security taxes.

As at 31 December 2024, the Board of Directors and key management personnel held a total of 30,928,810 shares (31 December 2023: 33,591,684 shares). The 2023 share numbers have been adjusted to reflect the shares split that occurred during the year. For further details, please refer to note 25. In addition, the Board of Directors held 227,200 share options as at 31 December 2024.

NOTE 9 | OTHER OPERATING EXPENSES

The direct operating and sales, general and administrative expenses combined are referred to as expenses from operating activities. Included in the expenses from operating activities are, amongst other, the following items:

NOK (thousands)	2024	2023
Sales and marketing	17,458	14,142
Travel	16,364	14,602
Professional fees	20,602	10,623
Research and development	20,637	57,247
Occupancy costs	17,078	17,134
Office expenses	21,350	16,896
Other	29,473	32,118
	142,962	**162,762**

Audit Fees

NOK (thousands)	2024	2023
Statutory audit	767	842
Assurance services	25	47
Other non-assurance services	23	410
Other auditors	4,522	3,610
	5,314	**4,909**

NOTE 10 | FINANCE INCOME AND EXPENSE

NOK (thousands)	2024	2023
FINANCE INCOME		
Bank interest income	4,351	3,876
Other interest income	2,193	29
Foreign exchange gain	34,684	19,120
TOTAL FINANCE INCOME	**41,228**	**23,025**
FINANCE EXPENSE		
Bank interest expense	(9,795)	(15,993)
Other interest expense	(3,182)	(3,399)
Foreign exchange expense	(33,983)	(16,475)
TOTAL FINANCE EXPENSE	**(46,960)**	**(35,867)**

NOTE 11 | INCOME TAX

NOK (thousands)	2024	2023
Current income tax	38,946	22,998
Change in deferred tax	(17,471)	(5,959)
TOTAL INCOME TAX EXPENSE	**21,475**	**17,039**

The income tax expense for the year can be reconciled to the (loss) / profit before tax as follows:

NOK (thousands)	2024	2023
(LOSS) / PROFIT BEFORE TAX	**60,657**	**(55,486)**
Tax using the Company's domestic tax rate of 22% (2023: 22%)	13,345	(12,207)
Expenses not deductible (taxable) for tax purposes	(999)	33,786
Tax losses	19,539	10,100
Capital allowances	(166)	(2,426)
Effect of different income tax rates in other jurisdictions	774	(26)
Deferred tax	(17,471)	(5,959)
Other	6,453	(6,229)
TOTAL INCOME TAX EXPENSE FOR THE YEAR	**21,475**	**17,039**

The standard rate of corporation tax applied to reported profit is 22 per cent (2023: 22 per cent). Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

No material uncertain tax positions exist as at 31 December 2024 and 2023.

NOTE 12 | DIVIDENDS

Following the Board's proposal of an additional 2023 dividend of NOK 40 million—approved in an Extraordinary General Meeting in March 2025—the Board is not proposing a final dividend for 2024 (2023: NOK 10 million). This dividend has not been accrued in the consolidated statement of financial position

NOTE 13 | EARNINGS / (LOSS) PER SHARE

Basic earnings / (loss) per share is calculated by dividing the profit / (loss) for the year by the weighted average number of ordinary shares outstanding during the year.

The following table reflects the income and share data used in the basic earnings / (loss) per share calculations:

	2024	2023
Earnings /(loss) (NOK'000)		
Profit / (loss) attributable to shareholders	39,182	(72,525)
Weighted average number of ordinary shares ('000 shares)	55,752	48,915
BASIC EARNINGS / (LOSS) PER SHARE	**0.70**	**(1.48)**

The par value of each ordinary share has been reduced from NOK 3.5 to NOK 0.1. For details, please refer to Note 25. The denominator for the purposes of calculating (loss) basic earnings per share has been adjusted to reflect the share split.

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of authorisation of these financial statements.

The Group did not have any instruments with a dilutive effect on 31 December 2024 and 2023.

NOTE 14 | PROPERTY, PLANT, AND EQUIPMENT

NOK (thousands)	LAND AND BUILDINGS	PLANT, MACHINERY AND EQUIPMENT	FIXTURES AND FITTINGS	TOTAL
COST				
Balance at 1 January 2023	**63,970**	**77,356**	**28,232**	**169,558**
Business combinations	53,086	15,755	272	69,113
Additions	469	13,926	9,514	23,909
Reclassifications	729	(1,688)	(4,376)	(5,335)
Retirement and disposals	–	(7,345)	(102)	(7,447)
Exchange differences	3,604	2,452	1,028	7,084
BALANCE AT 31 DECEMBER 2023	**121,858**	**100,456**	**34,568**	**256,882**
Balance at 1 January 2024	**121,858**	**100,456**	**34,568**	**256,882**
Business combinations	–	8,449	2,478	10,927
Additions	1,919	10,204	3,543	15,666
Reclassifications	–	227	–	227
Retirement and disposals	–	(9,242)	(1,223)	(10,465)
Exchange differences	13,098	7,163	2,490	22,751
BALANCE AT 31 DECEMBER 2024	**136,875**	**117,257**	**41,856**	**295,988**

NOK (thousands)	LAND AND BUILDINGS	PLANT, MACHINERY AND EQUIPMENT	FIXTURES AND FITTINGS	TOTAL
ACCUMULATED DEPRECIATION				
Balance at 1 January 2023	**(11,036)**	**(47,384)**	**(19,558)**	**(77,978)**
Business combinations	–	(9,016)	(149)	(9,165)
Depreciation charge	(2,206)	(9,557)	(3,194)	(14,957)
Reclassifications	(568)	1,999	2,510	3,941
Retirement and disposals	–	3,675	69	3,744
Exchange differences	(944)	(1,589)	(651)	(3,184)
BALANCE AT 31 DECEMBER 2023	**(14,754)**	**(61,872)**	**(20,973)**	**(97,599)**
Balance at 1 January 2024	**(14,754)**	**(61,872)**	**(20,973)**	**(97,599)**
Business combinations	–	(1,901)	(2,352)	(4,253)
Depreciation charge	(3,455)	(11,577)	(3,804)	(18,836)
Reclassifications	–	–	–	–
Retirement and disposals	–	8,647	943	9,590
Exchange differences	(1,655)	(5,157)	369	(6,443)
BALANCE AT 31 DECEMBER 2024	**(19,864)**	**(71,860)**	**(25,817)**	**(117,541)**
CARRYING AMOUNTS				
At 1 January 2023	52,934	29,972	8,674	91,580
At 31 December 2023	107,104	38,584	13,595	159,283
At 1 January 2024	107,104	38,584	13,595	159,283
AT 31 DECEMBER 2024	**117,011**	**45,397**	**16,039**	**178,447**
Useful life (years)	**3 - 15**	**3 - 5**	**3 - 15**	

During the year ended 31 December 2024, depreciation expenses of NOK 0.8 million were charged to raw materials as factory overheads on production facilities (2023: NOK 1.1 million).

NOTE 15 | RIGHT-OF-USE ASSETS AND LEASES

The Group as a lessee

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of 12 months or less.

The Group leases a number of properties in the jurisdictions from which it operates. In some jurisdictions it is customary for lease contracts to provide for payments to increase each year by inflation or and in others to be reset periodically to market rental rates. In some jurisdictions property leases the periodic rent is fixed over the lease term.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the Group's incremental borrowing rate on commencement of the lease is used.

NOK (thousands)	RIGHT-OF-USE ASSET	LEASE LIABILITIES
Balance at 1 January 2024	**75,976**	**(80,423)**
Additions – new leases	11,595	(11,595)
Additions – business combinations	2,333	(2,265)
Additions – lease modifications	9,728	(11,347)
Depreciation expense	(15,743)	–
Interest expense	–	(3,313)
Lease payments	–	18,241
Exchange differences	2,431	(1,699)
BALANCE AT 31 DECEMBER 2024	**86,321**	**(92,400)**
Balance at 1 January 2023	**63,591**	**(66,268)**
Additions – new leases	19,449	(19,449)
Additions – lease modifications	5,737	(5,737)
Depreciation expense	(13,136)	–
Interest expense	–	(2,908)
Lease payments	–	14,574
Exchange differences	335	(635)
BALANCE AT 31 DECEMBER 2023	**75,976**	**(80,423)**

Lease liabilities

NOK (thousands)	2024	2023
Non-current	77,282	67,187
Current	15,118	13,236
	92,400	**80,423**

Lease liabilities have multiple maturity dates, refer to note 5 for a maturity analysis of lease liabilities.

The Group as a lessor

Certain buildings are leased to tenants under short-term operating leases with rentals payable monthly. The lessee does not have an option to purchase the property at the expiry of the lease period.

Maturity analysis of operating lease payments:

NOK (thousands)	2024	2023
Up to 3 months	177	210
Between 3 and 12 months	237	281
	414	**491**

NOTE 16 | INTANGIBLE ASSETS

NOK (thousands)	GOODWILL	INTELLECTUAL PROPERTIES, PATENTS AND LICENSES	TRADEMARKS AND CUSTOMER RELATIONSHIPS	DEVELOPMENT COSTS	TOTAL
COST					
Balance at 1 January 2023	**183,930**	**36,192**	**150,817**	**–**	**370,939**
Additions	–	1,922	1,035	4,108	7,065
Business combinations	9,381	8,978	3,408	–	21,767
Reclassifications	–	5,335	–	–	5,335
Exchange differences	3,619	1,829	6,143	–	11,591
BALANCE AT 31 DECEMBER 2023	**196,930**	**54,256**	**161,403**	**4,108**	**416,697**
Balance at 1 January 2024	**196,930**	**54,256**	**161,403**	**4,108**	**416,697**
Additions	–	504	–	1,717	2,221
Business combinations	31,178	7,984	30,528	199	69,889
Reclassifications	–	–	–	–	–
Retirement and disposals	–	(5,294)	–	–	(5,294)
Exchange differences	9,225	4,922	16,008	(0)	30,155
BALANCE AT 31 DECEMBER 2024	**237,333**	**62,372**	**207,939**	**6,024**	**513,668**
AMORTISATION AND IMPAIRMENT					
Balance at 1 January 2023	**–**	**(4,491)**	**(14,672)**	**–**	**(19,163)**
Business combinations	**–**	**(2,663)**	**–**	**–**	**(2,663)**
Amortisation charge	–	(5,866)	(16,190)	–	(22,056)
Impairment	(117,321)	–	–	–	(117,321)
Reclassifications	–	(3,941)	–	–	(3,941)
Exchange differences	–	479	(26)	–	453
BALANCE AT 31 DECEMBER 2023	**(117,321)**	**(16,482)**	**(30,888)**	**–**	**(164,691)**
Balance at 1 January 2024	**(117,321)**	**(16,482)**	**(30,888)**	**–**	**(164,691)**
Business combinations	–	–	–	–	–
Amortisation charge	–	(7,235)	(16,777)	(1,606)	(25,618)
Impairment	–	–	–	–	–
Reclassifications	–	–	–	–	–
Retirement and disposals	–	1,547	–	–	1,547
Exchange differences	(3,750)	1,581	(3,730)	–	(5,899)
BALANCE AT 31 DECEMBER 2024	**(121,071)**	**(20,589)**	**(51,395)**	**(1,606)**	**(194,661)**
CARRYING AMOUNTS					
At 1 January 2023	183,930	31,701	136,145	–	351,776
At 31 December 2023	79,609	37,774	130,515	4,108	252,006
At 1 January 2024	79,609	37,774	130,515	4,108	252,006
AT 31 DECEMBER 2024	**116,262**	**41,783**	**156,544**	**4,418**	**319,007**
Useful life (years)	**N/A**	**5 – 20**	**10**	**N/A**	

Note: At 31 December 2024, the Group has a trademark of NOK 5,825 thousand (31 December 2023: NOK 4,301 thousand) with indefinite useful life. The trademark was tested for impairment.

Research and development costs of NOK 20,638 thousand (2023: NOK 57,247 thousand) that are not eligible for capitalisation have been expensed in the year incurred and they are recognised in other operating expenses.

The research and development costs expensed this year were primarily due to the heightened payroll expenses allocated to research and development, linked with the Group's research activities in ocean technologies. This increase in labour costs reflects our sustained dedication to enhancing our capabilities in marine technology.

Impairment testing

The Group assesses at each reporting date, whether there is an indication that an intangible asset may be impaired in accordance with note 3. The Group bases its impairment calculation on most recent budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of four to five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

IMPAIRMENT TESTING FOR DEVELOPMENT COSTS

Included in the carrying amount of development costs at 31 December 2024 is an amount of NOK 4,108 thousand (31 December 2023: NOK 4,108 thousand) related to a development project for a new version of the Vector. The new Vector is planned to be launched in Q2 2025. Consequently, the benefit of the development project will not be realised as soon as previously expected and management has carried out an impairment test.

The following table shows the key assumptions used in the impairment test and the sensitivity related to changes in the key assumptions.

	IMPAIRMENT ASSESSMENT VALUES		SENSITIVITY ANALYSIS	
	2024	**2023**	**2024**	**2023**
Annual revenue growth	**3.0%**	3.6%	**-1.0%**	-1.0%
Discount rate	**7.2%**	7.2%	**+0.5%**	+0.5%

The recoverable amount of the development project that included these development costs was estimated based on the present value of the future cash flows expected to be derived from the development project (value in use). The recoverable amount of the development project was estimated to be higher than its carrying amount and no impairment was required.

IMPAIRMENT TESTING FOR GOODWILL

At 31 December 2024 and 2023, the Group's goodwill originated from business combinations are as follows:

NOK (thousands)	2024	2023
Strategic Robotic Systems Inc ("SRS")	–	–
Reach Robotics Pty Ltd ("Reach Robotics")	36,317	35,693
Tritech International Ltd ("Tritech")	38,413	34,928
Klein Marine Systems Inc	10,032	8,988
RS Aqua Ltd	31,500	–
	116,262	**79,609**

Strategic Robotic Systems Inc

At 31 December 2024, the Group performed an impairment test of intangible assets in accordance with the requirements in IAS 36. The impairment related to SRS was initially recognised in 2023 after its initial revenue growth expectations failed to materialise, due to weaker-than-expected sales performance, intensified competition, and disruptions from its relocation to San Diego.

In response, SRS underwent a strategic and operational realignment, completed in 2024, aimed at strengthening its market position and improving execution. The recoverable amount of SRS was estimated at NOK 11 million as at 31 December 2024. Projected cash flows have been updated to reflect current conditions, providing a more realistic and sustainable financial outlook. Key assumptions and sensitivities used in the impairment test are outlined in the table below. The headroom related to SRS in the impairment test amounted to NOK 797 thousand.

	IMPAIRMENT ASSESSMENT VALUES		SENSITIVITY ANALYSIS	
	2024	2023	2024	2023
Annual revenue growth	4.1%	4.1%	-1.0%	-1.0%
Discount rate	13.5%	13.5%	+0.5%	+0.5%

It was concluded that the recoverable amount exceeded the carrying amount of the CGU. As a result of this analysis, no impairment was recognised against goodwill as at 31 December 2024 (2023: impairment of NOK 117.3m).

Reach Robotics Pty Ltd

As at 31 December 2024, the Group performed an impairment test of intangible assets in accordance with the requirements in IAS 36. The headroom related to Reach in the impairment-test amounted to NOK 2,688 thousand. The projected cash flows have been updated to reflect the decreased demand for products and services. The following table shows the key assumptions used in the impairment test, which have been adjusted to reflect increased sales orders and a more streamlined production process. It also outlines the sensitivity of the results to changes in these assumptions.

	IMPAIRMENT ASSESSMENT VALUES		SENSITIVITY ANALYSIS	
	2024	2023	2024	2023
Annual revenue growth	14.8%	13.5%	-1.0%	-1.0%
Discount rate	13.0%	13.0%	+0.5%	+0.5%

By reference to the recoverable amount assessed in the impairment calculations, it is concluded that there is no impairment indication identified on intangible assets.

Tritech International Ltd

As at 31 December 2024, the Group performed an impairment test of intangible assets in accordance with the requirements in IAS 36. The headroom related to Tritech in the impairment-test amounted to NOK 93,152 thousand. The following table shows the key assumptions used in the impairment test and the sensitivity related to changes in the key assumptions.

	IMPAIRMENT ASSESSMENT VALUES		SENSITIVITY ANALYSIS	
	2024	2023	2024	2023
Annual revenue growth	9.9%	9.9%	-1.0%	-1.0%
Discount rate	13.5%	13.5%	+0.5%	+0.5%

By reference to the recoverable amount assessed in the impairment calculations, it is concluded that there is no impairment indication identified on intangible assets.

Klein Marine Systems Inc

As at 31 December 2024, the Group performed an impairment test of intangible assets in accordance with the requirements in IAS 36. The headroom related to Klein in the impairment-test amounted to NOK 15,284 thousand. The following table shows the key assumptions used in the impairment test and the sensitivity related to changes in the key assumptions. These assumptions have been adjusted to reflect increased sales orders.

	IMPAIRMENT ASSESSMENT VALUES		SENSITIVITY ANALYSIS	
	2024	2023	2024	2023
Annual revenue growth	7.2%	4.2%	-1.0%	-1.0%
Discount rate	15.0%	15.0%	+0.5%	+0.5%

By reference to the recoverable amount assessed in the impairment calculations, it is concluded that there is no impairment indication identified on intangible assets.

RS Aqua Ltd

As at 31 December 2024, the Group performed an impairment test of intangible assets in accordance with the requirements in IAS 36. The headroom related to RS Aqua in the impairment-test amounted to NOK 4,790 thousand. The following table shows the key assumptions used in the impairment test and the sensitivity related to changes in the key assumptions. These assumptions have been adjusted to reflect increased sales orders.

	IMPAIRMENT ASSESSMENT VALUES		SENSITIVITY ANALYSIS	
	2024	2023	2024	2023
Annual revenue growth	2.0%	n/a	-1.0%	n/a
Discount rate	14.0%	n/a	+0.5%	n/a

By reference to the recoverable amount assessed in the impairment calculations, it is concluded that there is no impairment indication identified on intangible assets.

NOTE 17 | INVESTMENT IN AN ASSOCIATE

The following entities have been included in the consolidated financial statements using the equity method:

NAME	COUNTRY OF INCORPORATION AND PRINCIPLE PLACE OF BUSINESS	PROPORTION OF OWNERSHIP INTEREST AT 31 DECEMBER	
		2024	2023
Hefring Inc	United States of America	25%	25%

Summarized financial information

NOK (thousands)	2024	2023
Current assets	4,097	10,015
Non-current assets	246	257
Current liabilities	(10,249)	(1,973)
Non-current liabilities	(9,082)	(7,208)
NET ASSETS	**(14,989)**	**1,091**
GROUP SHARE OF NET ASSETS (25%)	**(3,747)**	**273**
Revenues	6,530	980
Loss from operations	(15,692)	(12,993)

NOTE 18 | DERIVATIVE FINANCIAL INSTRUMENTS

NOK (thousands)	2024	2023
DERIVATIVE FINANCIAL ASSETS		
Forward foreign exchange contracts	–	6,948
TOTAL DERIVATIVE FINANCIAL ASSETS	**–**	**6,948**
Non-current	–	3,379
Current	–	3,569
TOTAL DERIVATIVE FINANCIAL ASSETS	**–**	**6,948**
DERIVATIVE FINANCIAL LIABILITIES		
Forward foreign exchange contracts	(8,949)	–
Interest rate swap	(1,199)	(2,058)
TOTAL DERIVATIVE FINANCIAL LIABILITIES	**(10,148)**	**(2,058)**
Non-current	(3,217)	(2,058)
Current	(6,932)	–
TOTAL DERIVATIVE FINANCIAL LIABILITIES	**(10,149)**	**(2,058)**

Foreign exchange risk arises when individual Group operations enter into transactions denominated in a currency other than their functional currency. To reduce the Group's exposure to FX fluctuations with the USD, the Group takes out a foreign exchange forwarding contract to the value of USD 750,000 per month. At the reporting date, the Group had 30 (2023: 21) active foreign exchange forwarding contracts maturing monthly up to June 2026 (2023: September 2025).

During the year, the Group entered into an interest rate swap agreement in place with a notional amount of NOK 158.9 million (USD 14 million) (2023: NOK 138.9 million [USD13.7 million]) whereby the Group receives a variable rate of interest at SOFR-OIS Compound and pays interest at a fixed rate of 4.47% (2023: 4.65%) on the notional amount. Such a contract enables the Group to mitigate the risk of changing interest rates on the cash flow exposures on the variable rate loans and borrowings.

These contracts were not designated as hedging instruments for the purposes of hedge accounting in accordance with IFRS 9 Financial Instruments.

The derivative financial instruments are all net settled. Therefore, the maximum exposure to credit risk at the reporting date is the fair value of the derivative financial instruments which are included in the consolidated statement of financial position.

Gains and losses in fair valuing foreign exchange forwarding contracts are recognized in 'finance costs' in the consolidated statement of profit or loss. Gains and losses on maturity are recognized in 'finance costs' in consolidated statement of profit or loss.

NOTE 19 | INVENTORIES

The inventories comprise of the following:

NOK (thousands)	2024	2023
Raw materials and consumables	164,260	125,433
Work-in-progress	11,002	12,173
Finished goods and goods for resale	59,272	68,138
	234,534	**205,744**

The cost of inventories utilised are recognised as an expense in raw materials.

At 31 December 2024, slow moving inventories of NOK 1.1 million have been written off (31 December 2023: NOK 11.1 million).

NOTE 20 | TRADE AND OTHER RECEIVABLES

NOK (thousands)	2024	2023
Trade receivables	152,532	127,767
Less: provision for impairment of trade receivables	(721)	(672)
Net trade receivables	151,811	127,095
Prepayments	17,425	12,514
VAT receivable	81	1,699
Bonds, deposits, guarantees	1,257	1,642
Related party receivables	–	12,327
Other receivables	17,838	10,451
TOTAL	**188,412**	**165,728**
Non-current	–	12,327
Current	188,412	153,401
TOTAL TRADE AND OTHER RECEIVABLES	**188,412**	**165,728**

The Group utilises judgement and historical credit losses to assess customer receipts on an individual basis. The creation and release of the allowance for doubtful debts for impaired receivables have been charged to profit or loss. Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash.

NOK (thousands)	2024	2023
Current	82,569	67,368
1-30 days	42,070	27,338
31-60 days	12,811	9,580
61-90 days	5,505	8,659
>90 days	10,490	14,150
BALANCE AT 31 DECEMBER	**153,445**	**127,095**

NOTE 21 | CASH AND CASH EQUIVALENTS

NOK (thousands)	2024	2023
Bank deposits payable on demand	270,192	155,308
Bank deposits restricted to tax payments	11,440	17,344
BALANCE AT 31 DECEMBER	**281,632**	**172,652**

Restricted bank deposits are tax deductions made on behalf of employees.

NOTE 22 | LOANS AND BORROWINGS

NOK (thousands)	CURRENT	NON-CURRENT	TOTAL
2024			
Term loan	144,255	38,407	182,662
Other borrowings	169	–	169
TOTAL	**144,424**	**38,407**	**182,831**
2023			
Term loan	13,931	126,319	140,250
Other borrowings	134	161	295
TOTAL	**14,065**	**126,480**	**140,545**

In December 2023, following a share issue (refer to note 25), the Group early repaid the NOK 200 million loan early.

In August 2023, the Group made a drawdown of USD 14 million to fund the acquisition of Klein.

The loan facility as at 31 December 2024 was USD 12.3 million (NOK 138.9 million) (31 December 2023: USD 13.7 million [NOK 139.4 million]).

The facility contains the following customary covenants:

- Equity/Assets at all times of at least 40%
- NIBD/EBITDA not to exceed 3.0
- Minimum cash balance of NOK 50m

The interest is in line with market conditions and is based on SOFR (2023: SOFR) plus a margin of 2.0% to 2.5% (the spread depends on certain leverage covenants).

In January 2024, the loan facility denominated in NOK was redenominated to a USD facility and in the process, the loan was repaid and reissued.

In November 2024, the Group secured a £3 million (NOK 42.3 million) term loan facility to support the acquisition of RS Aqua. The interest is in line with market conditions and is based on SONIA plus a margin of 2.0% to 2.5% (the spread depends on certain leverage covenants).

Loan Covenants

NOK (thousands)	2024	2023
EQUITY RATIOS		
Total equity	693,684	625,280
Total assets	1,302,092	1,046,478
EQUITY RATIO	**53%**	**60%**
NIBD RATIOS		
Loans and borrowings	182,831	140,545
Cash and cash equivalents	(281,632)	(172,652)
NIBD	(98,801)	(32,107)
EBITDA	127,556	127,116
NIBD TO EBITDA RATIO	**(0.8)**	**(0.3)**

The Group has complied with these covenants throughout 2024 and 2023.

Other borrowings comprise business loans at a fixed interest rate of 0.55% (2023: 0.55%), repayments are monthly, the loans terminate in 2026.

NOTE 23 | TRADE AND OTHER PAYABLES

NOK (thousands)	2024	2023
Trade payables	52,149	60,339
Wage taxes and social securities	22,126	21,315
Accruals	35,813	27,272
Provision – warranties	1,253	691
Provision – dilapidations	636	524
VAT payable	9,440	1,012
Other payables	9,241	3,673
BALANCE AT 31 DECEMBER	**130,658**	**114,826**

For certain products, the Group has incurred an obligation to exchange the item if it breaks prematurely due to a manufacturing fault. Revenue for the sale of the products is recognised once the goods are delivered. No provision for warranty claims are made, as the amounts historically have been not material. Warranty claims are expensed to cost of sales.

Leasehold dilapidations relate to the estimated cost of returning a leasehold property to its original state at the end of the lease in accordance with the lease terms. The cost is recognised as depreciation of leasehold improvements over the remaining term of the lease. The main uncertainty relates to estimating the cost that will be incurred at the end of the lease.

NOTE 24 | CONTRACT LIABILITIES

NOK (thousands)	2024	2023
Prepayment from customers	89,026	18,011
Invoiced revenue, not delivered	7,310	3,615
BALANCE AT 31 DECEMBER	**96,336**	**21,626**
Non-current	93	644
Current	96,243	20,982
	96,336	**21,626**

Set out below is the amount of revenue recognised from:

NOK (thousands)	2024	2023
Amounts included in contract liabilities at the beginning of the year	21,626	21,694
	21,626	**21,694**

Management expects that 87% per cent of the transaction price allocated to the unsatisfied and/or partially unsatisfied contracts as of the year ended 2024 will be recognised as revenue during the next reporting period (NOK 608.5 thousand). The remaining 13% per cent, NOK 93.3 thousand, will be recognised in the 2025 financial year.

NOTE 25 | SHARE CAPITAL AND PREMIUM

	NUMBER OF SHARES	ORDINARY SHARES	SHARE PREMIUM	TOTAL
	Thousands	NOK (thousands)	NOK (thousands)	NOK (thousands)
Balance at 1 January 2023	**1,388,110**	**4,858**	**325,855**	**330,713**
1:35 share split	47,195,740	–	–	–
Shares issued	7,115,747	712	209,260	209,972
BALANCE AT 31 DECEMBER 2023	**55,699,597**	**5,570**	**535,115**	**540,685**
BALANCE AT 1 JANUARY 2024	**55,699,597**	**5,570**	**535,115**	**540,685**
Business combination	445,664	45	14,012	14,057
BALANCE AT 31 DECEMBER 2024	**56,145,261**	**5,615**	**549,127**	**554,742**

In June 2023, the shares were split 1:35, resulting in the par value of each ordinary share reducing from NOK 3.5 to NOK 0.1

In December 2023, the General Assembly of shareholders approved the issue of 7,115,747 ordinary shares at a price of NOK 31.54 per share. During 2024, a share issue of 445,664 shares at NOK 0.1 each with a NOK 14,057 thousand share premium, was completed to fund the acquisition of RS Aqua.

In November 2024, 445,664 shares were issued as part of the acquisition of RS Aqua (refer to note 29).

Largest 20 shareholders by year end 31 December 2024 were:

SHAREHOLDER	NUMBER OF SHARES	PERCENTAGE
Atle Lohrmann	30,928,810	55.1%
FC Holding XXVII AS	17,738,517	31.6%
Loco Holding AS	1,260,000	2.2%
S. Nylund Holding AS	910,000	1.6%
Freda Zifteh	700,000	1.2%
KMB Enterprises Pty Limited ATF the KMB Investments Trust	544,145	1.0%
Rosenthal/Fleming Family Trust	398,930	0.7%
Torstein Pedersen	350,000	0.6%
James Barratt	332,745	0.6%
Robin Sharphouse	332,745	0.6%
DM Whillas Family Trust	280,000	0.5%
Alltrust SIPP Limited fbo James Barratt M0005440	276,045	0.5%
Embark SIPP re Robin Sharphouse S1077038	276,045	0.5%
Luis Sebastiao	237,650	0.4%
S.D. Kamminga Beheer B.V.	236,250	0.4%
Martin Michael Stemp	212,225	0.4%
Ruth Stemp	212,225	0.4%
Antonio Pascoal	209,160	0.4%
Anders Gabriel Ridley-Smith	155,470	0.3%
Estelle Richard	92,120	0.2%
Other shareholders	462,179	0.8%
	56,145,261	**100%**

At 31 December 2024 the Board of Directors and key management held 30,928,810 shares and 227,500 options (at 31 December 2023: 33,591,684 shares and 227,500 options).

NOTE 26 | RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

NOK (thousands)	CURRENT	NON-CURRENT	TOTAL
AT 1 JANUARY 2023	200,623	66,268	266,891
Financing cash flows	(60,097)	(14,574)	(74,671)
New leases	–	25,186	25,186
Foreign exchange adjustments	19	635	654
Other changes:			
Interest expense	–	2,908	2,908
AT 31 DECEMBER 2023	**140,545**	**80,423**	**220,968**
AT 1 JANUARY 2024	140,545	80,423	220,968
Financing cash flows	42,268	(18,241)	24,027
New leases	–	25,206	25,206
Foreign exchange adjustments	18	1,699	1,717
Other changes:			
Interest expense	–	3,313	3,313
AT 31 DECEMBER 2024	**182,831**	**92,400**	**275,231**

NOTE 27 | RESERVES

The following describes the nature and purpose of each reserve within equity:

RESERVE	DESCRIPTION AND PURPOSE
Share premium	Amount subscribed for share capital in excess of nominal value.
Foreign exchange reserve	Gains/losses arising on retranslating the net assets of overseas operations into NOK.
Retained earnings	All other net gains and losses and transactions with owners (e.g., dividends) not recognised elsewhere.
IFRS 19	Subsidiaries without Public Accountability: Disclosures

NOTE 28 | CONSOLIDATION COMPANIES

The principal subsidiaries of the Group, all of which have been included in these consolidated financial statements, are as follows:

NAME	BUSINESS OFFICE	OWNERSHIP	EQUITY	PROFIT / LOSS
		2024	2024	2024
Nortek AS	Rud	100%	244,711	112,560
Nortek Netherlands BV	Hoofddorp	100%	9,927	(422)
Nortek Instruments Ltd	Southampton	100%	16,738	6,895
Nortek Qingdao Measuring Equipment Co Ltd	Qingdao	100%	9,618	1,576
Nortek Instruments Hong Kong Ltd	Hong Kong	100%	10,192	9,975
Nortek Brasil Representacoes, Consultoria	Florianopolis	100%	1,907	1,316
Nortek Japan GK	Tokyo	100%	(442)	181
Nortek USA Inc	Boston	100%	12,859	195
Nortek Australia Pty Ltd	Melbourne	100%	3,427	1,184
SAS Nortek Mediterrannee	La Garde	100%	23,041	4,371
Strategic Robotic Systems Inc	San Diego	100%	8,791	(24,350)
Klein Marine Systems Inc	Salem	100%	83,198	(38,534)
General Oceans Inc	Boston	100%	242,819	(276)
Reach Robotics Pty Ltd	Sydney	100%	(4,194)	(14,610)
Tritech International Ltd	Ulverston	100%	132,018	33,588
EchoSonics Ltd	Ulverston	100%	(4,873)	(3,378)
RS Aqua Ltd	Portsmouth	100%	11,310	854
RS Aqua Holdings Ltd	Portsmouth	100%	38,351	24
RS Aqua Technical Services Ltd	Portsmouth	100%	–	-
General Oceans UK Holdings Ltd	London	100%	19,767	5
General Oceans Ltd	London	100%	1,005	638
General Oceans Singapore Pte Ltd	Singapore	100%	20	(141)

NOTE 29 | BUSINESS COMBINATIONS

Details of the fair value of identifiable assets and liabilities acquired, purchase consideration and goodwill are as follows:

RS Aqua Holdings Ltd, RS Aqua Ltd, RS Aqua Technical Services Ltd ("RS Aqua")

On 18 November 2024 General Oceans UK Holding Ltd acquired 100 percent ownership interest in RS Aqua for a total consideration of NOK 74,954 thousand. RS Aqua is a leading distributor of subsea products in the British Isles. The company was consolidated from the date of acquisition and the preliminary acquisition analysis gave rise to goodwill of NOK 31,357 thousand. Capitalized goodwill related to acquisitions comprises synergies, assets related to employees, other intangible assets that do not qualify for separate capitalisation, expectations of future profitability and growth, and expectations of better market conditions.

The purchase agreement includes a component of contingent consideration, which is payable based on the financial performance of the acquired business over the two-year period ending 31 August 2026. Under the terms of the acquisition agreement, the contingent consideration is structured as follows:

- If two-year cumulative adjusted EBITDA is less than £1.4 million, no contingent consideration will be payable
- If adjusted EBITDA is between £1.4 million and £1.8 million, the contingent consideration is determined on a linear scale as follows:

$$Earnout = \frac{Adjusted\ EBITDA - £1.4m}{£0.4m} \times £1.5m$$

- If adjusted EBITDA exceeds £1.8 million, the full contingent consideration of £1.5 million becomes payable

The contingent consideration that is classified as a financial liability is initially recognised at fair value on the acquisition date and subsequently remeasured at fair value through profit or loss in accordance with IFRS 9. At the acquisition date, management estimated that the most probable outcome of the two-year Adjusted EBITDA to be £1.5m. Based on this expectation, the fair value of the contingent consideration has been calculated to be £0.5m or NOK 5.3m using the earnout formula noted above. The Group has discounted the liability to present value.

The fair value of the contingent consideration has been recognised as part of the purchase consideration and recorded as a financial liability in the consolidated statement of financial position. The liability will be measured at each reporting date with changes in fair value recognised in profit or loss.

The purchase price and fair value of assets and liabilities acquired are presented in the table below.

NOK (thousands)	FAIR VALUE RECOGNISED ON ACQUISITION
Cash consideration	55,559
Shares	14,057
Variable deferred consideration	5,338
CONSIDERATION	**74,954**
RECOGNISED AMOUNTS OF IDENTIFIABLE ASSETS ACQUIRED AND LIABILITIES ASSUMED	
Property, plant, and equipment	6,663
Right-of-use assets	2,392
Identifiable intangible assets	38,710
Inventories	1,902
Trade and other receivables	11,495
Cash and cash equivalents	13,187
Deferred tax liabilities	(10,969)
Trade and other payables	(10,581)
Contract liabilities	(4,267)
Income tax payable	(2,621)
Lease liabilities	(2,314)
TOTAL IDENTIFIABLE NET ASSETS	**43,597**
GOODWILL	**31,357**
NET CASH OUTFLOW ON THE ACQUISITION	**55,559**

Included in identifiable intangible assets are trademark NOK 675 thousand and intellectual property NOK 567 thousand. Transaction costs amounted to NOK 32,280.

Since the acquisition, the acquiree RS Aqua contributed NOK 12,361 thousand to Group revenues and NOK 855 thousand to net profit.

If the business combination had been completed on 1 January 2024, management estimates that the acquiree would have contributed NOK 32,366 thousand to Group revenues and NOK 4,638 thousand to net losses in 2024. In determining these amounts, management has assumed that the fair value adjustments that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 January 2024.

Klein Marine Systems Inc ("Klein")

On 21 August 2023, General Oceans AS acquired 100 percent ownership interest in Klein for a total cash consideration of NOK 122,164 thousand. Klein designs, manufactures, and sells advanced side-scan sonar systems for the oceanographic, hydrographic, and defense industries on a world-wide basis. The company was consolidated from the date of acquisition and the preliminary acquisition analysis gave rise to goodwill of NOK 9,381 thousand. The purchase price and fair value of assets and liabilities acquired are presented in the table below.

NOK (thousands)	FAIR VALUE RECOGNISED ON ACQUISITION
Consideration	**122,164**
Recognised amounts of identifiable assets acquired and liabilities assumed	
Property, plant, and equipment	59,948
Identifiable intangible assets	9,723
Inventories	52,883
Trade and other receivables	12,382
Deferred tax liabilities	(4,645)
Trade and other payables	(17,508)
Total identifiable net assets	**112,783**
GOODWILL	**9,381**
NET CASH OUTFLOW ON THE ACQUISITION	**122,164**

NOTE 30 | RELATED PARTIES

NOK (thousands)	INCOME		EXPENSES		AMOUNTS OWED BY RELATED PARTIES	
	2024	2023	2024	2023	2024	2023
Hungry Horse AS	–	440	–	–	–	12,327
Ocean Illumination (CA)	–	–	732	932	–	–
	–	**440**	**732**	**932**	**–**	**12,327**

During the year Group companies entered into the following transactions with related parties who are not members of the Group.

Ocean Illumination (CA) is owned by shareholders. Hungry Horse AS is no longer owned by shareholders in 2024. The long-term loan to Hungry Horse matures in 2029 and attracts interest according to section 5-12 of the Norwegian Tax Act.

NOTE 31 | CONTINGENCIES AND CLAIMS

The Group was not involved in any material contingencies or legal claims as at 31 December 2024 and 2023.

NOTE 32 | EVENTS AFTER THE BALANCE SHEET DATE

The Group entered into a sales agreement to dispose of one of its buildings for consideration of NOK 56.8 million.

In March 2025, the Group also declared a dividend of NOK 40 million.

No other material events have occurred after the balance sheet date that would require disclosure in these financial statements.

Independent auditor's report

BDO

BDO AS
Bygdøy allé 2
Postboks 1704 Vika
0121 Oslo

To the General Meeting of General Oceans AS

Independent Auditor's Report

Opinion

We have audited the financial statements of General Oceans AS.

The financial statements comprise:

- The financial statements of the parent Company, which comprise the balance sheet as at 31 December 2024, the income statement and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- The financial statements of the Group, which comprise the balance sheet as at 31 December 2024, the income statement and cash flows 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.
- The accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.
- The accompanying financial statements give a true and fair view of the financial position of the Group as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with the IFRS Accounting Standards as adopted by the EU

Basis for Opinion

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

Other information

The Board of Directors and the Managing Director (management) is responsible for the other information. The other information comprises the Board of Directors' report and other 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 other information.

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 consolidated financial statements or our knowledge obtained in the audit or otherwise appears

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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.

Opinion on the Board of Directors' report

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

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

Responsibilities of the Board of Directors and the Managing Director 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 and Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

Auditor's Responsibilities for the Audit of the Financial Statements

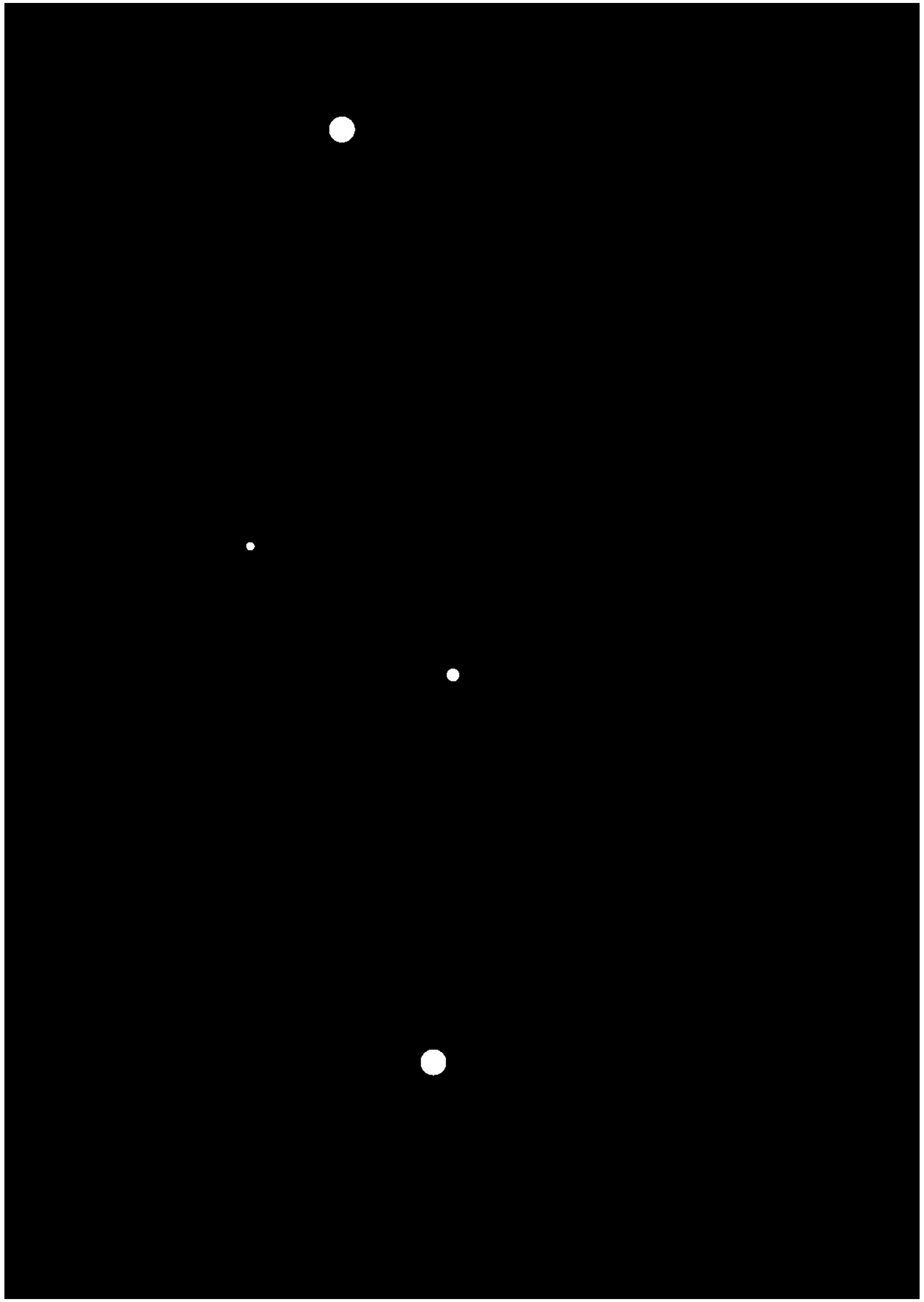
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 the 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

23.04.2025
BDO AS

Norunn Byrkjeland
State Authorised Public Accountant
(This document is signed electronically)

BDO AS, et norsk aksjeselskap, er deltaker i BDO International Limited, et engelsk selskap med begrenset ansvar, og er en del av det internasjonale nettverket BDO, som består av uavhengige selskaper i de enkelte land. Foretaksregisteret: NO 993 606 650 MVA. side 2 av 2



GENERAL OCEANS

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INQUIRY@GENERALOCEANS.COM
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General Oceans AS - notes 2024

Note 1 Accounting principles

The statutory annual accounts are prepared according to Norwegian accounting legislation and generally accepted accounting principles.

Revenues and expenses.

Revenues are recognized as they are earned. The implication of this principle is that interests and dividends from companies in which one has an ownership stake are recognized when there is an unconditional right to receive a yield. Costs are accrued in the same period as the related income.

Classification and evaluation of balance items

Assets intended for long term ownership are classified as non-current assets. Other assets are classified as current assets. Receivables subject to settlement within one year are always classified as current assets. Classification of debt is made by using analogous criteria.

Fixed assets are carried in the balance-sheet at historical cost and written down to the recoverable amount when an impairment of the value is expected to be permanent. Long term debt is stated at nominal value when incurred.

Current assets are stated at the lower of acquisition cost and recoverable amount. Short term debt is carried at nominal value when incurred.

Receivables

Accounts receivables and other receivables are carried in the balance-sheet at face value less any provisions for bad debt.

Taxes

Taxes are expensed as they accrue, hence taxes are related to profit before tax.

The taxes include both tax payable (tax on this year's profit) and change in deferred tax. Deferred tax is calculated with 22% on the basis of temporary differences that exist between book values and values according to the tax basis for assets and liabilities, and losses carried forward at year end.

Investments in subsidiaries

Investments in subsidiaries are valued at the cost of acquiring the shares, providing they are not impaired.

Dividends and group contributions are recognised in the same year as they are recognised in the subsidiary. If dividends exceed retained earnings after acquisition, the exceeding amount is regarded as reimbursement of invested capital and the distribution will reduce the recorded value of the acquisition in the balance sheet.

Foreign currencies

Monetary items in foreign currencies are recognized in the balance sheet at the rate of exchange at year end. Currency gains and losses are stated in the profit&loss under financial items. Transactions in foreign currency are booked at the rate of exchange on the transaction date.

Consolidated financial statements

General Oceans AS - notes 2024

Consolidated accounts are prepared for General Oceans AS and its wholly owned subsidiaries Nortek AS, Strategic Robotic System INC, Reach Robotics Pty Ltd, Tritec International Ltd and General Oceans Ltd.

General Oceans AS - notes 2024

Note 2 Remuneration to board members and audit fee

	2024	2023
Board member remuneration	1 080 000	1 181 667
Social secutity costs	152 280	166 615
Total	1 232 280	1 348 282

At 31 December 2024 board members held 227,500 share options.
The audior fee for the reporting period is NOK 1.674.805.

Note 3 Tax

Basis for payable tax:	**2024**	**2023**
Profit before tax	17 621 291	7 323 870
Change in temporary differences	1 781 189	-10 672 157
Permanent differences/adjustments	-32 729 675	-31 279 174
This year's tax profit/loss	**-13 327 195**	**-34 627 461**

General Oceans AS - notes 2024

Deferred tax:	2024	2023
Other temporary differances	8 091 419	9 872 608
Loss brought forward	-13 327 195	
Basis for deferred tax	-5 235 776	9 872 608
Deferred tax	-1 151 871	2 171 974

Tax:		
Change in deferred tax	-3 323 845	2 347 875
Total tax	-3 323 845	2 347 875

Note 4 Investment in subsidiaries

Company	Business address	Ownership	Profit 2024 ('000)	Equity ('000)	Book value ('000)
Strategic Robotic Systems INC *)	San Diego	100 %	(24 350)	8 791	105 626
General Oceans Singapore Pte Ltd	Singapore	100 %	(141)	20	167
Nortek AS	Bærum	100 %	112 560	244 711	61
Reach Robotics Pty Ltd	Sydney	100 %	(14 610)	(4 194)	70 711
Tritech International Ltd	Ulverston	100 %	33 589	132 018	168 083
General Oceans Ltd	London	100 %	638	1 005	123 964
					468 612

**) The shares in Strategic Robotic System INC were written down by MNOK 82 in 2023. The impairment of the investment is considered not be temporary, and the book value as of December 2024 represents the estimated fair value.*

Note 5 Group receivables and liabilities

	Receivables	Liabilities	Net balance
General Oceans Ltd	1 041 404		1 041 404
Strategic Robotics Systems Inc	25 091 014		25 091 014
Reach Robotics Pty Ltd	16 034 729		16 034 729
Klein Marine Systems Inc	57 056 292		57 056 292
General Oceans Inc	302 985		302 985
EchSonics Ltd	9 541 712		9 541 712
General Oceans UK Holding Ltd	70 488 156		70 488 156
Nortek AS	-	30 459	(30 459)
Tritech International Ltd	1 266 406		1 266 406
	180 822 698	30 459	180 792 239

General Oceans AS - notes 2024

Note 6 Share capital and shareholders

The share capital is NOK 5.614.526,10. It has been issued 56.145.261 shares - each with a nominal value of NOK 0,1

The main shareholders as of 31 Dec are:

	Number of shares	Ownership
Atle Lohrmann	30 928 810	55,1 %
FC Holding XXVII AS (930836559)	17 738 517	31,6 %
Loco Holding AS	1 260 000	2,2 %
S.Nylund Holding AS	910 000	1,9 %
Freda Zifteh	700 000	1,3 %
Other (< 1%)	4 607 934	7,9 %
	56 145 261	100,0 %

Note 7 Change in equity

	Share capital	Share premium	Other equity	Total
Equity as of 1 January	5 569 960	510 114 893	-43 299 883	472 384 969
Capital increase	44 566	14 011 670		14 056 236
Provision for dividend 2024		-40 000 000		-40 000 000
Dividend paid in 2024		-10 000 000		-10 000 000
Transfer from share preminum to cover losses		-22 479 629	22 479 629	0
Profit for the year			20 945 136	20 945 136
Equity as of 31 December	**5 614 526**	**451 646 933**	**124 881**	**457 386 341**

General Oceans AS - notes 2024

Note 8 Borrowings and collaterals

In August 2023, the Group made a drawdown of USD 14.0 million to fund the acquisition of Klein. The loan facility as at 31 December 2024 was USD 12,33 million (NOK 139.98 million).

The facility contains the following customary covenants:
•Equity/Assets at all times of at least 40%
•NIBD/EBITDA not to exceed 3.0
•Minimum cash balance of NOK 50m

The interest is in line with market conditions and is based on SOFR plus a margin of 2.0% to 2.5% (the spread depends on certain leverage covenants).

In November 2024, the Group made a drawdown of GBP 3.0 million to fund the acquisition of RS Aqua. The loan facility as at 31 December 2024 was USD 3.0 million (NOK 42.675 million).

The facility contains the following customary covenants:
•Equity/Assets at all times of at least 40%
•NIBD/EBITDA not to exceed 3.0
•Minimum cash balance of NOK 50m

The interest is in line with market conditions and is based on SONIA plus a margin of 2.0% to 2.5% (the spread depends on certain leverage covenants).

General Oceans AS - cash flow statement 2024

	2024	2023
Cash flow from operations:		
Profit before tax	17 621 291	7 323 870
Impairments/write-down		82 000 000
Change in short term receivables	-40 945 664	-66 157 953
Change in suppliers accounts	-441 070	47 435
Change in other liabilities and accruals	-25 433 095	2 250 947
Cash flow from operations	-49 198 538	25 464 299
Cash flow from investment activities		
Investments in subsidiaries	-166 549	-123 964 043
Net cash flow from investment activities	-166 549	-123 964 043
Cash flow from financing activities		
Capital increase/private placement (net proceeds)	14 056 236	209 971 752
Dividend paid	-10 000 000	-25 000 000
Net change in long term borrowings	43 349 120	-60 803 221
Net cash flow from financing activities	47 405 356	124 168 531
Change in liquid resources	-1 959 731	25 668 787
Opening balance liquid resources	32 099 399	6 430 612
Closing balance liquid resources	30 139 668	32 099 399

BDO AS
Bygdøy allé 2
Postboks 1704 Vika
0121 Oslo

To the General Meeting of General Oceans AS

Independent Auditor's Report

Opinion

We have audited the financial statements of General Oceans AS.

The financial statements comprise:

- The financial statements of the parent Company, which comprise the balance sheet as at 31 December 2024, the income statement and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- The financial statements of the Group, which comprise the balance sheet as at 31 December 2024, the income statement and cash flows 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.
- The accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.
- The accompanying financial statements give a true and fair view of the financial position of the Group as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with the IFRS Accounting Standards as adopted by the EU

Basis for Opinion

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

Other information

The Board of Directors and the Managing Director (management) is responsible for the other information. The other information comprises the Board of Directors' report and other 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 other information.

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 consolidated 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.

Opinion on the Board of Directors' report

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

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

Responsibilities of the Board of Directors and the Managing Director 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.

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BDO AS

Norunn Byrkjeland
State Authorised Public Accountant
(This document is signed electronically)

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Signaturene i dette dokumentet er juridisk bindende. Dokument signert med "Penneo™ - sikker digital signatur". De signerende parter sin identitet er registrert, og er listet nedenfor.

"Med min signatur bekrefter jeg alle datoer og innholdet i dette dokument."

Byrkjeland, Norunn
Statsautorisert revisor
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