



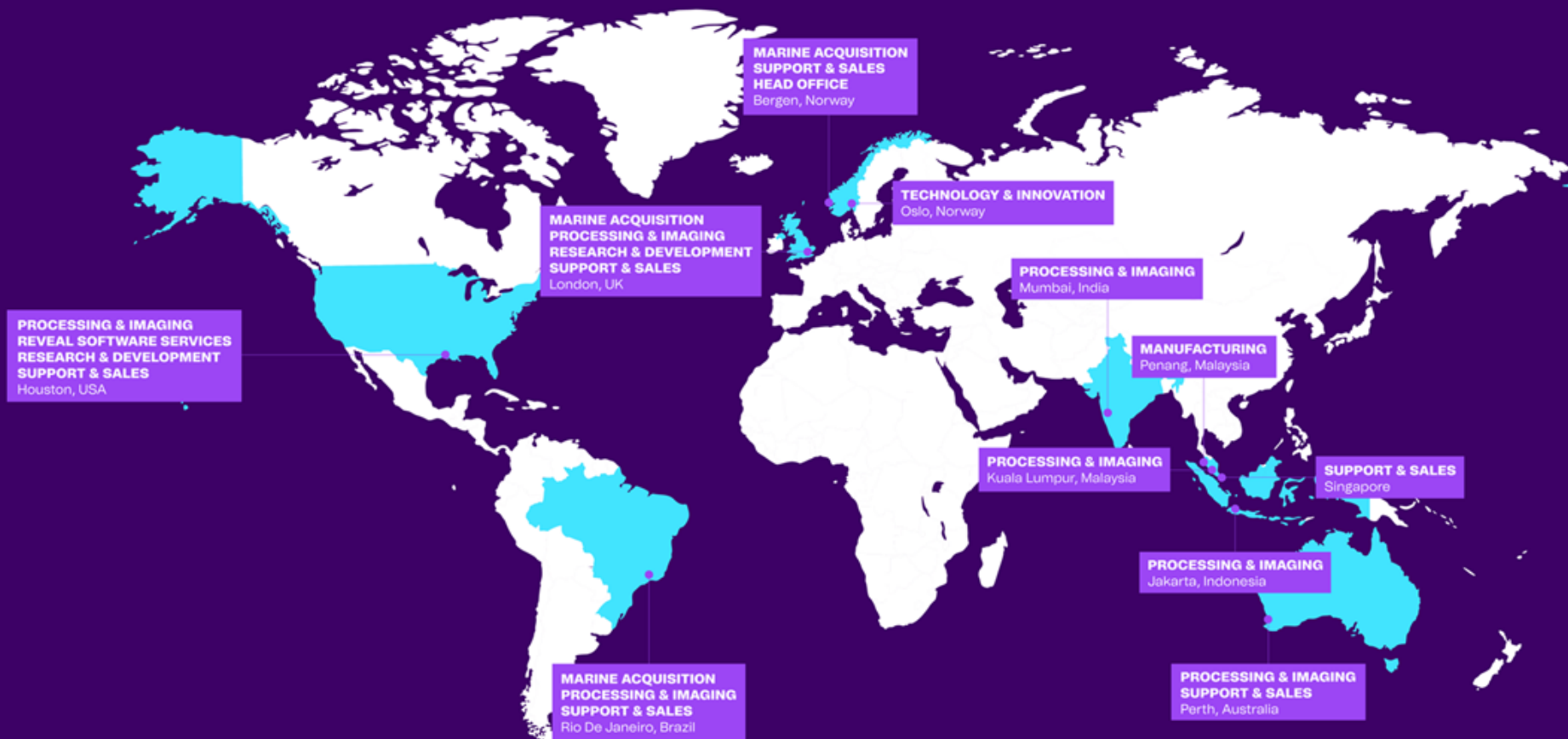
Seismic thinking
Decisive action

SHEARWATER GEOSERVICES AS
**THIRD
QUARTER
2025
REPORT**

shearwater

Shearwater in brief

Shearwater is a global marine geoscience and technology business that specialises in collecting data offshore. The organisation uses state-of-the-art seismic vessels and equipment to explore beneath the seabed and processes the data using market-leading proprietary software. These insights help clients understand the Earth and make informed decisions about accelerating responsible use of its resources. Shearwater's headquarters is in Bergen, Norway, with more facilities all around the globe. The company employs around 1,100 people.



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KEY INSIGHTS

Key takeaways

Financial results impacted by lower activity in muted contract market, as expected

68% fleet utilisation across 7.8 active vessels, including two OBN crews

Advancing cost reduction and efficiency improvement programme

Mobilising for third multi-client season in Brazil's Pelotas Basin in Q4

Significant multi-client revenues expected for Q4, easing the leverage ratio

Backlog of USD 413 million at the end of Q3 including multi-client commitments

REVENUE USD
146.5M

compared to USD 178.7 million in Q3 2024

EBITDA USD
5.2M

compared to USD 50.6 million in Q3 2024

EBIT USD
-24.5M

compared to USD 13.6 million in Q3 2024



CEO Comment

"As expected, marine seismic acquisition activity remained muted in the third quarter as a continued soft contract market impacted utilisation and profitability. We are adjusting our business to the current market environment, to ensure resilience and flexibility to ramp-up activity when demand picks up again.

We are proud that the SW Tasman and Pearl node platform continues to set industry benchmarks. The current project pipeline secures a streak of more than two years of consecutive contracts for the unique SW Tasman, despite a slow quarter. This achievement highlights our operational and technological leadership and reinforces our ability to deliver added value for clients and shareholders in a competitive OBN market.

In multi-client, we continue to pursue organic investments in a disciplined manner. This has positioned Shearwater as a fully integrated marine seismic provider. In the fourth quarter, we are currently mobilising for a third season of data acquisition over Brazil's Pelotas Basin, one of the world's most promising exploration regions.

Our OBN and multi-client business, combined with focused fleet management leveraging our flexible operational model, have mitigated the impact of a softer and more competitive streamer contract market. We remain disciplined even if there are no immediate signs of a near-term demand recovery with current market conditions expected to continue into next year. We are therefore right-sizing the organisation and expanding our cost reduction and efficiency improvement programme, building financial strength through cost discipline and business-enabling actions.

Our strategic direction remains clear and focused. Longer term, the oil and gas industry must rebuild reserves to sustain output and energy security. This will require increased investment in marine seismic acquisition and imaging. We are committed to balancing short-term market volatility while maintaining scalability and flexibility to capture emerging opportunities and deliver long-term value when demand for seismic strengthens again."

- Irene Waage Basili, CEO of Shearwater Geoservices AS

Key figures

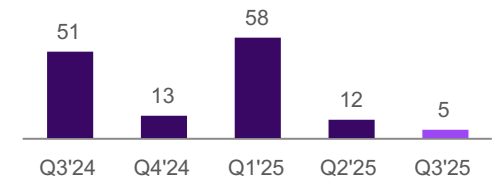
	Unit	Quarter ended		Year to date		Year Ended
		30 Sep 2025	30 Sep 2024	30 Sep 2025	30 Sep 2024	31 Dec 2024
Operating revenue	USD million	146	179	470	516	620
EBITDA ⁽¹⁾	USD million	5	51	75	146	159
EBITDA margin ⁽¹⁾		4%	28%	16%	28%	26%
EBIT	USD million	-24	14	-25	41	17
Net income before taxes	USD million	-40	-2	-69	-11	-48
Net income	USD million	-40	-1	-70	-14	-53
Cash flow from operations	USD million	27	85	96	93	92
Free cash flow ⁽¹⁾	USD million	20	64	56	34	9
Cash and cash equivalents	USD million	81	94	81	94	49
Net Working Capital	USD million	136	161	136	161	129
Net Interest-bearing Debt ⁽¹⁾	USD million	541	515	541	515	554
Total Assets	USD million	1,235	1,266	1,235	1,266	1,258
Book Equity	USD million	464	573	464	573	533
Book Equity Ratio %		38%	45%	38%	45%	42%
NIBD / EBITDA last 12 months		6.1	3.1	6.1	3.1	3.5
Backlog ⁽¹⁾	USD million	413	239	413	239	337
Fleet Utilisation Rate % ⁽²⁾		68%	61%	80%	68%	63%
Active vessels ⁽³⁾		7.8	11.1	8.3	9.8	9.8

⁽¹⁾ Refer to definition in the [Alternative Performance Measures-section](#)

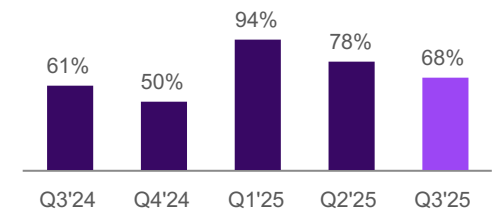
⁽²⁾ Shearwater's owned fleet working on and/or transiting to a contract/Multi-Client work as a percentage of the active vessels

⁽³⁾ Active vessels include all owned vessels that are not warm or cold stacked.

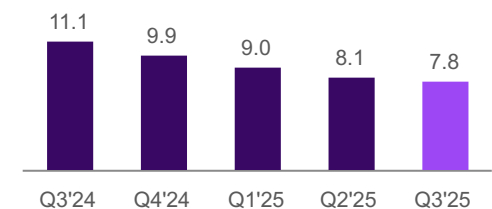
EBITDA USD million



Fleet Utilisation Rate



Active vessels



PROGRESS

Operational review

As expected, marine seismic streamer activity in the third quarter of 2025 reflected few contracts awarded for the summer season, impacting fleet scheduling and profitability.

In the quarter, Shearwater operated an average of 7.8 active vessels compared to 8.1 active vessels in the second quarter of 2025 and 11.1 in the third quarter of 2024. The sequential decline reflects Oceanic Sirius warm-stacked throughout the quarter, partly offset by the reactivation of the Amazon Conqueror. Utilisation of the active fleet was 68% compared to 78% in the previous quarter and 61% in the year-earlier period.

The streamer contract mix was in line with expectations. The Oceanic Vega completed the 4D survey for Petrobras early in the quarter before steaming to West Africa. The SW Duchess, on the same survey, demobilised mid-quarter to Las Palmas. In the North Sea, the Amazon Conqueror completed a one-month 4D contract for Equinor. The vessel was reactivated for the survey which offered attractive returns and to ensure availability of Isometrix technology for future demand. Finally, the SW Empress completed a two-month 3D contract for TotalEnergies in São Tomé and Príncipe.

Two OBN crews were active during the quarter. In Guyana, the high-end streamer vessel Amazon Warrior operated as a source alongside a chartered ROV OBN unit for ExxonMobil's 4D survey, demonstrating Shearwater's ability to deploy a versatile fleet across globally dispersed opportunities and deliver operational excellence. The project started in the second quarter and is scheduled for completion towards year-end. In August, the SW Tasman and Pearl node platform, supported by the SW Gallien as source, started a two-month contract in Angola for ExxonMobil in continuation of previous consecutive surveys for TotalEnergies.

In the Multi-Client segment, the Oceanic Vega and the SW Empress acquired 2D data off the coast of West Africa. The programme has industry support. In the fourth quarter, the SW Empress has mobilised to Brazil for a third season of wide tow multi-client streamer acquisition over the Pelotas Basin. Building on the success of the previous Pelotas Basin campaigns, the survey will be conducted in partnership with Searcher Seismic, with solid industry funding.

Shearwater adheres to a focused multi-client strategy with strict risk and return criteria, expanding selectively through strategic partnerships. As segment activity has increased in magnitude, multi-client commitments are included in the backlog from the end of the third quarter. Backlog figures from earlier periods are not restated.

At 30 September 2025, the backlog, including multi-client commitments, was USD 412.5 million, compared to USD 319.0 million at the end of the previous quarter. This compares to USD 239.1 million at 30 September 2024.

In August, Shearwater was awarded the first deepwater ocean-bottom node project offshore Ghana for Tullow. The two-month survey is currently being executed by the SW Tasman and the Pearl node platform, following recent successful OBN deployments in Côte d'Ivoire and Angola. Recently, Shearwater announced a two-month 4D OBN contract for a Shell operated field off the west coast of Sabah, Malaysia. The contract, included in the backlog since the second quarter of 2025, is scheduled for execution in early 2026 using the SW Tasman in a single-vessel configuration, performing both node deployment and seismic source operations. Upon completion, SW Tasman will have delivered more than two years of consecutive projects.

In September, Shearwater signed a seven vessel-months streamer contract with Oil India Ltd. Execution of the combined 2D and 3D survey with the SW Bly and the Oceanic Sirius commenced in the fourth quarter. In November, the SW Bly experienced a streamer incident while conducting its 3D scope of the survey. Leveraging Shearwater's flexible fleet and streamer pool, measures have been implemented to minimise operational and financial implications.

Shearwater maintains disciplined fleet management, leveraging a flexible operating model to optimise operations and financial resilience amid a continued challenging market. The cost reduction and efficiency improvement programme launched earlier this year is progressing to plan and supports alignment of the organisation with current and anticipated market conditions.

There were three recordable HSE incidents in the third quarter of 2025, of which none were high potential. This compared to one recordable HSE incidents in the same period of 2024, which was not recorded as high potential.

Q3 financial review - IFRS

Profit and loss

Total revenue in the third quarter of 2025 was USD 146.5 million, a decrease of 18% from USD 178.7 million in the year-ago period. Marine Acquisition represented 86% (95%) of the revenue, the Multi-Client segment 8% (0%) and the Software, Processing & Imaging (SPI) 6% (4%).

Total operating expenses were USD 171.0 million compared to USD 165.1 million in the same period of 2024. EBITDA was USD 5.2 million compared to USD 50.6 million a year earlier.

Depreciation, amortisation and write-down were USD 31.2 million compared to USD 36.1 million in the year-ago-period. Amortisation of the multi-client library was USD 1.7 million (USD 0 million in the year-ago period). EBIT was negative USD 24.5 million compared to positive USD 13.6 million in the same quarter last year.

Net loss before taxes was USD 40.1 million compared to a loss of USD 2.4 million in the third quarter of 2024. Tax expense was USD 0.3 million compared to a tax income of USD 1.1 million a year earlier. The net loss for the quarter was USD 40.4 million compared to a net loss of USD 1.3 million a year earlier.

Cash flows

Net cash flow from operating activities was positive USD 27.2 million compared to positive USD 85.3 million in same period last year. The difference between net cash flow from operations and EBITDA in the quarter reflects working capital items. Working capital may fluctuate significantly depending on fleet status, project mix, the timing of accounts receivable and accounts payable settlements, and timing of seasonal transits.

Net cash flow used in investing activities was USD 6.6 million compared to USD 20.8 million a year earlier. To conserve capital in light of the current market outlook, the Group has introduced measures under its previously communicated cost reduction and efficiency improvement programme to reduce non-business-critical maintenance and limit growth investments. Consequently, capital expenditures were USD 1.8 million in the quarter, compared to USD 11.0 million in the year-ago period. Investments in multi-client library were USD 4.8 million, compared to USD 9.8 million in the year-ago quarter.

Net cash flow from financing activities was positive USD 13.5 million, mainly reflecting drawdown on the revolving credit facility, partly offset by interest costs. This compares to

net cash flow from financing activities of negative USD 51.1 million in the third quarter of 2024. As communicated this summer, the Group has agreed with the bank syndicate to defer the loan instalments for the third and fourth quarter of 2025 to the first quarter of 2027.

Net increase in cash holdings for the quarter was USD 34.1 million compared to an increase of USD 13.5 million a year earlier.

Financial position

At 30 September 2025, total assets amounted to USD 1,234.9 million compared to USD 1,253.1 million at 30 June 2025. The value of the multi-client library (net of amortisation) increased from USD 43.5 million at 30 June 2025 to USD 46.9 million at 30 September 2025. Tangible assets was USD 887.0 million. This compares to USD 914.2 million at 30 June 2025. Current assets increased from USD 278.6 million at 30 June 2025 to USD 285.1 million at 30 September 2025. Cash holdings at 30 September 2025 were USD 80.5 million compared to USD 48.2 million at 30 June 2025.

Book equity was USD 463.5 million, corresponding to an equity ratio of 38%. This compares to USD 504.0 million and 40% at 30 June 2025.

At 30 September 2025, the Group's total interest-bearing debt was USD 621.7 million compared to USD 594.6 million at 30 June 2025. Net interest-bearing debt (NIBD) was USD 541.1 million compared to USD 546.4 million at 30 June 2025.

Shearwater's debt financing is comprised primarily of secured bank facilities and an issued bond.

Shearwater has previously communicated an expectation for significant multi-client revenues in the second half of 2025, however with uncertainty related to timing of recognition. The majority of the expected segment revenues for the second half of 2025 will impact the fourth quarter of the year.

The late revenue recognition impacted third-quarter Group EBITDA negatively and the leverage ratio (net interest-bearing debt over rolling twelve-month EBITDA) at period-end exceeded the 5.0x covenant limit in the bank facility. The bank facility has remained classified as non-current liabilities at 30 September 2025, see Note 5 for more information. Shearwater has obtained a covenant waiver from the bank syndicate for the Q3 quarter-end financial covenant test. Shearwater has remained in compliance with all its financial covenants under the bond facility agreement.

To date in the fourth quarter, more than USD 30 million of multi-client revenues, primarily related to the Pelotas data library, have been recognised to the income statement, which is anticipated to ease the leverage ratio at year-end.

Market and outlook

In the fourth quarter, the Marine Acquisition segment activity is expected to be broadly in line with that of the third quarter. Shearwater expects the increase in multi-client revenues to provide financial headroom into the winter season.

Shearwater continues to pursue a disciplined multi-client strategy, maintaining strict risk and return thresholds. To date, approximately 10,000 sq. km of seismic data has been acquired in the Pelotas Basin offshore Brazil and additional coverage is targeted, supported by solid industry backing. Currently, the SW Empress is mobilising for the third acquisition season over this increasingly important area for hydrocarbon exploration. It has geological links to Namibia's Orange Basin where Shearwater has demonstrated the value-creation potential of its multi-client approach.

Shearwater's long-term outlook and strategic commitment stands firm, supported by advanced seismic solutions that deliver global energy security, affordability, sustainability and stakeholder value. Recent public statements by industry majors signal intent to increase budgets for frontier exploration in the coming years, though timing remains uncertain. To meet rising energy demand and strengthen energy security, international majors and national oil companies must address years of underinvestment, which remains a concern amid ongoing geopolitical and macroeconomic uncertainty.

While these factors shape Shearwater's long-term investment priorities and operational planning, there are no clear signs of a near-term market recovery as clients continue to exercise caution and defer upstream investments. Against this backdrop, the Group remains disciplined, leveraging Shearwater's flexible operational model and its three-year, minimum 18-vessel-month streamer capacity agreement with TotalEnergies. This is complemented by the industry-leading Pearl node platform and an expanding multi-client portfolio, positioning Shearwater to strengthen profitability in a subdued market.

Safeguarding the ability to deliver long-term value is a key priority of Shearwater. Earlier this year, the Group launched a cost reduction and efficiency improvement programme, focused on optimising the cost base, reducing capital expenditure and enhancing free liquidity. Combined, these measures were initially expected to improve liquidity by more than USD 60 million by mid-2026.

Building on these initiatives, additional optimisation measures are being implemented to streamline the organisation. These actions are expected to enhance free liquidity by approximately USD 20 million annually, contributing to total cost base reductions towards USD 40 million per year. Shearwater has already begun realising initial savings, with further cost reduction targets currently being rolled out. Full impact on the cost base is anticipated during the first half of 2026. Other initiatives, such as potential vessel divestments, are progressing and would support fleet optimisation and scalability for when demand for marine seismic data acquisition increases.

Shearwater's strategic direction remains clear and focused, underpinned by a strong operational platform and proactive steps to build a scalable business and sustain profitability in the current market environment. The Group is well positioned to support global energy security and to benefit from the long-term expected increase in demand for marine seismic data to support exploration and production optimisation.

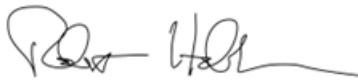
Board's approval

Condensed consolidated financial statements and interim management report

Today, 27 November 2025, the Board of Directors and the Chief Executive Officer have reviewed and approved the Shearwater Geoservices AS' condensed consolidated financial statements and the management report for the nine months period ending 30 September 2025.

Bergen, 27 November 2025

The Board of Directors and Chief Executive Officer of Shearwater Geoservices AS



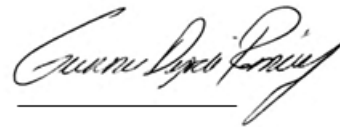
Robert Hobbs

Chairman of the Board



Roar Skuland

Board member



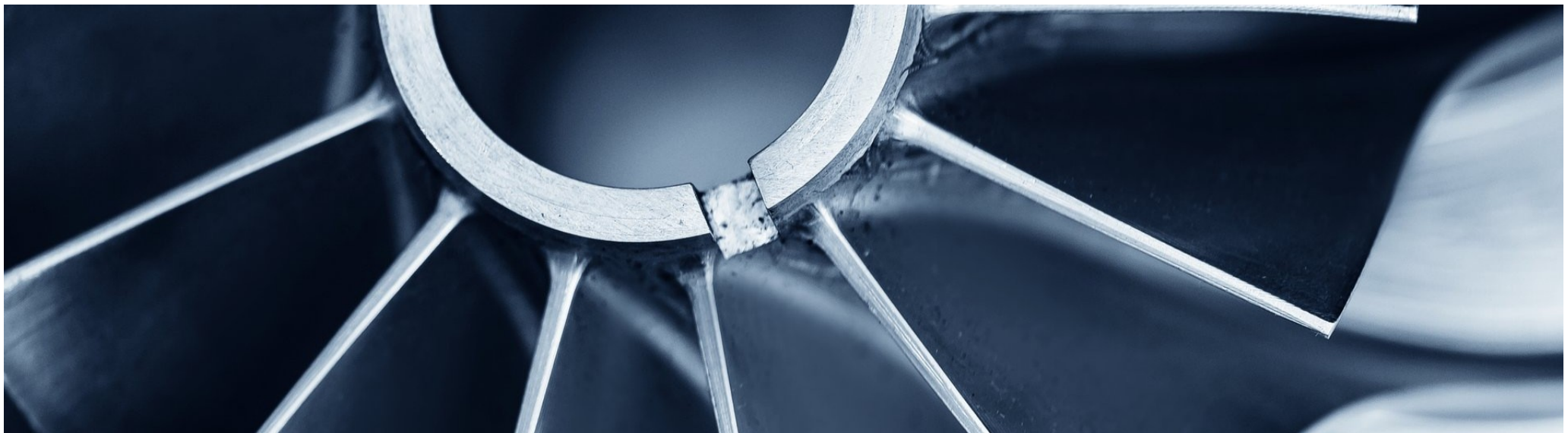
Gunnvor Dyrði Remøy

Board member



Irene Waage Basili

Chief Executive Officer



RESULTS

Interim financial statements (IFRS)

Condensed consolidated financial statements

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CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

The Shearwater Geoservices AS Group

(In thousands of USD)

		Quarter ended		Year to date		Year ended
	Notes	30 Sep 2025	30 Sep 2024	30 Sep 2025	30 Sep 2024	31 Dec 2024
Total revenue and other income	2	146,496	178,749	469,749	516,320	619,821
Operating expenses						
Cost of sales	3	131,789	119,400	371,950	344,955	426,685
Depreciation, amortisation and write-down	4	31,167	36,113	99,471	105,305	144,598
Sales, general and administration cost		9,514	8,720	22,643	25,556	34,093
Other losses (gains) net		(1,513)	893	637	(470)	(2,673)
Total operating expenses		170,958	165,126	494,700	475,346	602,703
Operating profit (EBIT)		(24,462)	13,623	(24,952)	40,974	17,117
Financial income		(207)	666	1,717	2,105	3,225
Financial expenses		(15,393)	(16,731)	(45,379)	(54,101)	(68,669)
Net financial items income/(expenses)		(15,600)	(16,065)	(43,662)	(51,996)	(65,444)
Net income before taxes profit/(loss)		(40,062)	(2,442)	(68,614)	(11,022)	(48,326)
Taxes	6	316	(1,106)	1,257	3,049	5,088
Net income profit/(loss)		(40,378)	(1,336)	(69,871)	(14,071)	(53,414)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

The Shearwater Geoservices AS Group

(In thousands of USD)

		Quarter ended		Year to date		Year ended
	Notes	30 Sep 2025	30 Sep 2024	30 Sep 2025	30 Sep 2024	31 Dec 2024
Net income for the period		(40,378)	(1,336)	(69,871)	(14,071)	(53,414)
Other comprehensive income						
<i>Items which may be reclassified over profit and loss in subsequent periods</i>						
Exchange differences on translation of foreign operations		(96)	178	132	178	104
Other comprehensive income for the period		(96)	178	132	178	104
Total comprehensive income for the period		(40,473)	(1,158)	(69,739)	(13,893)	(53,310)

The above unaudited condensed consolidated statement of profit or loss and unaudited consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

The Shearwater Geoservices AS Group

(In thousands of USD)

	Notes	Quarter ended 30 Sep 2025	Quarter ended 30 Sep 2024	Year ended 31 Dec 2024
ASSETS				
Goodwill		3,267	3,267	3,267
Multi-Client Library		46,946	20,290	25,023
Intangible assets		9,985	20,864	18,446
Deferred tax asset	6	2,330	670	2,039
Total Intangible Assets		62,528	45,091	48,775
Vessel and marine equipment	4	799,421	882,730	865,372
Seismic equipment and other equipment	4	78,211	82,632	84,270
Right-of-use assets	4	7,674	8,298	7,578
Manufacturing equipment	4	1,699	2,050	1,961
Total Tangible Assets		887,005	975,709	959,181
Investments in shares		350	350	350
Total Financial Non-Current Assets		350	350	350
Total Non-Current Assets		949,884	1,021,151	1,008,307
Other current assets		54,841	36,220	60,561
Trade receivables		109,420	96,002	108,536
Other receivables		40,251	18,512	31,282
Cash and cash equivalents		80,550	93,784	49,296
Total Current Assets		285,061	244,518	249,676
Total Assets		1,234,945	1,265,669	1,257,982

The Shearwater Geoservices AS Group

(In thousands of USD)

		Quarter ended		Year ended
	Notes	30 Sep 2025	30 Sep 2024	31 Dec 2024
EQUITY AND LIABILITIES				
Share capital		10,653	10,653	10,653
Share premium		621,190	621,190	621,190
Retained earnings		(168,299)	(58,414)	(98,550)
Total Equity		463,544	573,429	533,293
Deferred tax liability	6	757	-	760
Long-term debt	5	555,560	528,140	531,484
Lease liabilities	5	6,377	7,114	6,542
Total Long-Term Liabilities		562,694	535,254	538,787
Current portion of long-term debt	5	37,500	50,000	50,000
Short-term debt	5	19,993	21,424	13,011
Lease liabilities	5	2,241	1,800	2,059
Trade payables		92,313	55,509	74,366
Taxes payable	6	4,040	1,970	4,197
Other short-term liabilities		52,620	26,284	42,270
Total Short-Term Liabilities		208,707	156,986	185,903
Total Liabilities		771,402	692,240	724,689
Total Equity and Liabilities		1,234,945	1,265,669	1,257,982

The above unaudited condensed consolidated statement of financial position should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

The Shearwater Geoservices AS Group

(In thousands of USD)

		Quarter ended		Year to date		Year ended
	Notes	30 Sep 2025	30 Sep 2024	30 Sep 2025	30 Sep 2024	31 Dec 2024
Cash Flow from Operating Activities:						
Net income (loss) before taxes		(40,062)	(2,442)	(68,614)	(11,022)	(48,326)
Paid tax		(611)	(286)	(2,176)	(1,745)	(2,149)
Depreciation, amortisation and write down	4	31,167	36,113	99,471	105,305	144,598
Profit/loss on sale of equipment and vessels	4	-	-	-	(50)	(35)
Interest income		207	(817)	(1,717)	(2,105)	(3,076)
Interest expenses		13,392	15,328	40,719	46,788	59,713
Interest received		(182)	666	1,717	1,955	3,076
Other non-cash financial items		10	-	822	79	5,269
Change in current assets / liabilities		23,291	36,771	26,247	(46,494)	(66,579)
Net Cash Flow From Operating Activities		27,213	85,334	96,468	92,712	92,490
Cash Flow from Investing Activities:						
Payments related to CAPEX	4	(1,800)	(10,968)	(10,868)	(39,683)	(58,792)
Payments related to purchase of vessels	4	-	-	-	(41,200)	(41,200)
Payments for sale of equipment and vessels	4	-	-	-	200	185
Net cash flow from investment in subsidiaries		-	-	-	(350)	(350)
Investment in Multi-Client Library		(4,781)	(9,835)	(27,705)	(17,024)	(22,198)
Net Cash Flow From Investing Activities		(6,581)	(20,803)	(38,573)	(98,057)	(122,355)
Cash Flow from Financing Activities:						
Drawdown of loans	5	20,000	-	35,000	671,200	706,200
Repayment of loans	5	-	(42,500)	(25,000)	(648,421)	(680,921)
Repayment of financial lease		(645)	(753)	(2,137)	(2,319)	(2,957)
Transaction costs		-	-	-	(8,950)	(8,950)
Net Interest paid		(5,896)	(7,809)	(33,902)	(17,530)	(39,002)
Net Cash Flow From Financing Activities		13,459	(51,061)	(26,039)	(6,020)	(25,630)
Net Increase in Cash and Cash Equivalents		34,090	13,469	31,857	(11,365)	(55,496)
Net currency translation effects on cash and cash equivalents		(1,785)	(117)	(604)	(685)	(1,042)
Cash and cash equivalents at start of period		48,244	80,431	49,296	105,834	105,834
Cash and cash equivalents at end of period		80,550	93,784	80,550	93,784	49,296

The above unaudited condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

The Shearwater Geoservices AS Group

For the nine months ended 30 September 2025

(In thousands of USD)	Share capital	Share premium	Retained earnings	Total equity
Balance at 01 January 2025	10,653	621,190	(98,550)	533,293
Net income for the period	-	-	(69,871)	(69,871)
Other comprehensive income	-	-	132	132
Other changes	-	-	(11)	(11)
Total equity at 30 September 2025	10,653	621,190	(168,299)	463,544

For the nine months ended 30 September 2024

(In thousands of USD)	Share capital	Share premium	Retained earnings	Total equity
Balance at 01 January 2024	10,653	621,190	(12,499)	619,344
Net income for the period	-	-	(14,071)	(14,071)
Other comprehensive income	-	-	178	178
Group contribution submitted to parent	-	-	(32,735)	(32,735)
Other changes	-	-	713	713
Total equity at 30 September 2024	10,653	621,190	(58,414)	573,429

For the year ended 31 December 2024

(In thousands of USD)	Share capital	Share premium	Retained earnings	Total equity
Balance at 01 January 2024	10,653	621,190	(12,499)	619,344
Net income for the year	-	-	(53,414)	(53,414)
Other comprehensive income	-	-	104	104
Group contribution submitted to parent	-	-	(32,735)	(32,735)
Other changes	-	-	(6)	(6)
Total equity at 31 December 2024	10,653	621,190	(98,550)	533,293

The above unaudited condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Selected notes to the quarterly financial statements

NOTE 1: BASIS FOR ACCOUNTING AND ACCOUNTING POLICIES

Shearwater Geoservices AS (the Company) is a Norwegian registered company with corporate office in Bergen, Norway. The registered business address is Damsgårdsveien 135, 5160 Laksevåg, Norway. The Company is the parent in the Shearwater Geoservices AS Group ("Shearwater", or "the Group") and the Company is owned 100% by Shearwater Geoservices Holding AS, who in turn has its majority of shares owned by the investment entity RASMUSSENGRUPPEN AS. Shearwater owns a fleet of high-end purpose-built seismic vessels and the Group is a global provider of marine seismic data acquisitions in 2D, 3D and 4D mode, including towed streamers and ocean-bottom nodes (OBN). Additionally, Shearwater delivers land and marine processing and imaging products, data processing software and manufacturing. The Group's operation is described in more detail in Note 2.1.

These interim financial statements for the nine months ended 30 September 2025 have been prepared in accordance with IFRS® Accounting Standards as adopted by the EU and the IFRSs as issued by the Internal Accounting Standards Board (IASB), including IAS 34.

These interim financial statements were authorised for issue by the Company's Board of Directors on 27 November 2025. These interim financial statements are unaudited.

Taxes are calculated based on profit or loss for each individual entity based on local tax regulations. Local profits and fluctuations in exchange rates impact the taxes on a quarterly and an annual basis.

This report does not include all information required in a complete annual report and it should therefore be read in conjunction with the Company's Annual Report for 2024, available on www.shearwatergeo.com. The preparation of these condensed interim financial statements requires management to make estimates, judgements and assumptions that affect the application of accounting policies and recognised amounts of assets and liabilities, income and expense. Actual results may differ from these estimates, judgements and assumptions.

NOTE 2: REVENUE AND SEGMENT INFORMATION

2.1: Segment information

The Chief Executive Officer, the Chief Financial Officer and the Chief Commercial Officer are responsible for following up and ensuring that the Group's performance is in line with the Group's existing strategy both from a product perspective as well as enabling the Group to evolve within its given parameters. Within the Group there are three main segments: Marine Acquisition, Multi-Client and Software, Processing & Imaging (SPI).

Management primarily uses a measure of earnings before interest, tax, depreciation, and amortisation (EBITDA, see below) to assess the performance of the operating segments. The Group operates world-wide and while the geographical markets have a central place at the project planning stage, it is not considered a separate segment in the internal financial reporting.

Segments

Marine Acquisition

The Group owns and operates the world's largest fleet of purpose-built seismic vessels designed for safe and efficient seismic acquisition. The Group offers a wide range of seismic services in 2D, 3D and 4D mode, including towed streamers and ocean-bottom node (OBN) surveys. With 23 high-end vessels, Shearwater is offering the seismic services on a worldwide basis. For this segment the product is the delivery of high-quality unprocessed seismic data.

Multi-Client

Shearwater established a focused multi-client business unit in 2024 to manage converted contracts and traditional multi-client projects. Generally, a converted contract is a contract survey executed in multi-client mode with most of the funding coming from one client and generally with limited late sales potential, while traditional multi-client generally focuses on offering data libraries to a more diverse client base. A project will be reported under the multi-client business segment when Shearwater has either full or partial ownership of the seismic data being acquired and has the economic benefit to licence fees from multiple clients over the lifetime of the data. In accordance with IFRS, pre-funding revenues (revenues committed to prior to completion of a project) and late sales revenues are recognised at the point in time when the customer receives access to, or delivery of, data according to the contracted terms with the customer (the performance obligation).

Software, Processing & Imaging

The Group processes and re-processes both land and marine seismic data by combining the latest processing software with experienced geophysicists and efficient hardware. The Group's offshore and onshore processing teams provide expertise and service to achieve the highest quality imaging both in streamer and OBN datasets. The Group's Reveal software provides advanced processing and imaging algorithms from real-time quality control on vessels, through model building and depth imaging.

Other

Other include research and development, engineering services, and sales, general and administration cost. The Group has extensive competence in engineering, development and manufacturing of streamers and nodes.

Reference marks for the accompanying tables in this 2.1: Segment information

**Part of the income for the "Other"-column is funding received from external organisations in connection with research and development projects.*

***EBITDA is earnings before interest, tax, depreciation, and amortisation. Costs related to Mergers and Acquisition (M&A) is not included in EBITDA as it is not considered ordinary operating expense. EBITDA is used internally to continuously measure the Group's ability to service its debt and capital cost.*

	Marine Acquisition	Multi-Client	Software, Processing & Imaging	Other	Total
Quarter ended 30 September 2025					
(In thousands of USD)					
Income statement					
Total operating revenue and other income *	126,069	11,914	8,431	82	146,496
Cost of sales	127,674	-	7,182	(3,068)	131,789
Sales, general and administration cost	-	-	-	9,514	9,514
EBITDA **	(1,606)	11,914	1,249	(6,364)	5,192
Depreciation, amortisation and write-down					31,167
Other losses (gains) net					(1,513)
Operating profit EBIT					(24,462)
Financial income					(207)
Financial expense					(15,393)
Income tax expense					316
Net Income					(40,378)
	Marine Acquisition	Multi-Client	Software, Processing & Imaging	Other	Total
Quarter ended 30 September 2024					
(In thousands of USD)					
Income statement					
Total operating revenue and other income *	170,612	441	7,583	113	178,749
Cost of sales	109,782	-	6,799	2,819	119,400
Sales, general and administration cost	-	-	-	8,720	8,720
EBITDA **	60,830	441	784	(11,426)	50,629
Depreciation, amortisation and write-down					36,113
Other losses (gains) net					893
Operating profit EBIT					13,623
Financial income					666
Financial expense					(16,731)
Income tax expense					(1,106)
Net Income					(1,336)

	Marine Acquisition	Multi-Client	Software, Processing & Imaging	Other	Total
Year to date 30 September 2025					
(In thousands of USD)					
Income statement					
Total operating revenue and other income *	418,279	27,158	22,091	2,220	469,749
Cost of sales	343,473	-	18,873	9,603	371,950
Sales, general and administration cost	-	-	-	22,643	22,643
EBITDA **	74,806	27,158	3,218	(30,026)	75,156
Depreciation, amortisation and write-down					99,471
Other losses (gains) net					637
Operating profit EBIT					(24,952)
Financial income					1,717
Financial expense					(45,379)
Income tax expense					1,257
Net Income					(69,871)
	Marine Acquisition	Multi-Client	Software, Processing & Imaging	Other	Total
Year to date 30 September 2024					
(In thousands of USD)					
Income statement					
Total operating revenue and other income *	490,165	4,389	21,459	308	516,320
Cost of sales	317,818	-	18,961	8,176	344,955
Sales, general and administration cost	-	-	-	25,556	25,556
EBITDA **	172,347	4,389	2,498	(33,424)	145,809
Depreciation, amortisation and write-down					105,305
Other losses (gains) net					(470)
Operating profit EBIT					40,974
Financial income					2,105
Financial expense					(54,101)
Income tax expense					3,049
Net Income					(14,071)

	Marine Acquisition	Multi-Client	Software, Processing & Imaging	Other segments	Total
Year ended 31 December 2024					
Income statement					
Total operating revenue and other income *	572,095	18,397	27,591	1,738	619,821
Cost of sales	386,674	-	24,477	15,534	426,685
Sales, general and administration cost	-	-	-	34,093	34,093
EBITDA **	185,421	18,397	3,114	(47,889)	159,043
Depreciation, amortisation and write-down					144,598
Other losses (gains) net					(2,673)
Operating profit EBIT					17,117
Financial income					3,225
Financial expense					(68,669)
Income tax expense					5,088
Net Income					(53,414)

2.2: Revenue from contracts with customers

The Group earns revenue from the following categories of customer contracts:

PRODUCTS AND SERVICE LINES (In thousands of USD)	Quarter ended		Year to date		Year ended
	30 Sep 2025	30 Sep 2024	30 Sep 2025	30 Sep 2024	31 Dec 2024
Marine Acquisition	126,069	170,612	418,279	490,165	572,095
Multi-Client	11,914	441	27,158	4,389	18,397
Software, Processing & Imaging	8,431	7,583	22,091	21,459	27,591
Revenue from contract with customers	146,414	178,636	467,529	516,012	618,083
Other income Marine Acquisition	-	-	-	-	35
Other income	82	113	2,220	308	1,703
Total	146,496	178,749	469,749	516,320	619,821

All amounts are in thousands of USD.

Timing of revenue recognition	Quarter ended		Year to date		Year ended
	30 Sep 2025	30 Sep 2024	30 Sep 2025	30 Sep 2024	31 Dec 2024
Point in time	13,527	301	28,772	1,141	20,407
Services transferred over time	132,886	178,335	438,757	514,871	597,676
Total revenue from contract with customers	146,414	178,636	467,529	516,012	618,083

Net operating revenue by geography	30 Sep 2025	30 Sep 2024	30 Sep 2025	30 Sep 2024	31 Dec 2024
Europe, Africa and Middle East - EAME	61,799	55,360	162,067	169,634	210,254
Asia / Pacific - APAC	2,988	95,085	80,625	293,300	340,833
North and South America - NSA	81,710	28,304	227,056	53,386	68,734
Total	146,496	178,749	469,749	516,320	619,821

NOTE 3: SPECIFICATION COST OF SALES

(In thousands of USD)	Quarter ended		Year to date		Year ended
	30 Sep 2025	30 Sep 2024	30 Sep 2025	30 Sep 2024	31 Dec 2024
Vessel operating cost	127,674	109,782	343,473	317,818	386,674
Software, Processing & Imaging cost	7,182	6,799	18,873	18,961	24,477
Other segments	(3,068)	2,819	9,603	8,176	15,534
Total Cost of Sales*	131,789	119,400	371,950	344,955	426,685

*Cost of Sales is excluding depreciation

NOTE 4: TANGIBLE, NON-CURRENT ASSETS

(In thousands of USD)	Seismic vessels	Seismic equipment	Office equipment	Other assets (Right of use)	Manufacturing equipment	Total
Cost:						
Acquisition cost at 01 January 2025	1,247,135	381,648	13,279	23,272	13,647	1,678,981
Additional capital expenditures	4,433	12,650	(24)	2,183	(12)	19,229
Write-down during the period	-	(3,624)	-	-	-	(3,624)
Acquisition cost at 30 September 2025	1,251,568	390,673	13,255	25,455	13,635	1,694,586
Accumulated depreciation:						
Balance at 01 January 2025	381,764	304,537	6,120	15,694	11,686	719,801
Depreciation for the period	52,133	12,725	1,094	2,088	250	68,290
Depreciation periodical maintenance	17,433	-	-	-	-	17,433
Deferred mobilisation cost	818	1,242	-	-	-	2,060
Accumulated depreciation at 30 September 2025	452,148	318,504	7,213	17,782	11,936	807,584
Carrying amount at 30 September 2025	799,421	72,171	6,040	7,674	1,699	887,005
<i>Estimated useful lifetime</i>	<i>25 years</i>	<i>3 to 7 years</i>	<i>3 to 5 years</i>	<i>1 to 5 years</i>	<i>3 to 7 years</i>	

Other Assets (Right of Use) are office and warehouse buildings previously identified as operating leases under IAS 17 as well as lease of processing equipment. Short-term leases, such as Bareboat or Time charter hire of support/chase vessels have not been capitalised as all lease contracts are 12 months or less.

In 2025, USD 6.2 million of the seismic equipment capital expenditure for the year relates to capitalisation of R&D costs that was included in the carrying amount of the intangible asset's opening balance for the year.

NOTE 5: LONG-TERM DEBT/LIABILITIES

The Group's long-term liabilities, including first year's instalments, are summarised as follows:

(In thousands of USD)	30 Sep 2025	30 Sep 2024	31 Dec 2024
Senior secure bank facility, USD SOFR 3M + 4.1%, due 2029	250,000	287,500	275,000
Senior secure Bond, 9.5%, due 2029	300,000	300,000	300,000
Revolving credit facility, USD SOFR 3M + 4.1%	50,000	-	15,000
Amortisation effect, mortgage debt	(6,940)	(9,360)	(8,516)
Accrued interest expenses	19,993	21,424	13,011
Total secured long-term debt/liabilities	613,053	599,564	594,496
Lease liabilities, due 2024-2029	8,618	8,914	8,601
Total unsecured long-term debt/liabilities	8,618	8,914	8,601
Total long-term debt/liabilities	621,671	608,478	603,097
Classification in the statement of financial position:			
Long-term debt	555,560	528,140	531,484
Long-term lease liabilities	6,377	7,114	6,542
Current portion of long-term debt	37,500	50,000	50,000
Short-term debt	19,993	21,424	13,011
Short-term lease liabilities	2,241	1,800	2,059

In April 2024, Shearwater refinanced its external debt through a USD 300 million secured bank facility and a USD 300 million secured bond loan, both with five-year maturities and pari passu ranking. The bank facility carries interest at SOFR plus 4.1%, while the bond loan bears a fixed rate of 9.5%. Shearwater also maintains super-senior revolving credit and guarantee facilities of USD 50 million each.

In June 2025, the Group introduced measures to strengthen financial resilience, including a temporary leverage ratio covenant of 5.00x (net interest-bearing debt divided by 12-month rolling EBITDA) until the first quarter of 2026, deferral of second half of 2025 instalments to January 2027, and an expanded liquidity definition.

In the second quarter report on 29 August 2025, the Group also communicated an expectation for significant multi-client segment revenue in the second half of 2025, with uncertainty on the timing of quarterly distribution between the third and fourth quarter of the year. A major multi-client sale expected in the third quarter was recognised in the fourth quarter, impacting EBITDA and leverage ratio. The leverage ratio at 30 September 2025 was 6.1, which exceeded the 5.00x threshold under the bank facility agreement. A provision in the bank facility agreement provides Shearwater with the option to repair ("cure") a quarter-end financial covenant test within the relevant reporting date of the facility. The Group has maintained a close dialogue with the bank syndicate and has obtained a leverage ratio waiver for the third-quarter financial covenant test.

Shearwater has remained in compliance with all financial covenants under the bond facility agreement.

In line with the previously communicated expectations, more than USD 30 million of multi-client revenues, primarily from the Pelotas Basin data library, have been recognised to date in the fourth quarter of 2025. Based on this, Shearwater expects to comply with the leverage ratio covenant at year-end, with the bank facility and bond loan continuing to be presented as non-current liabilities.

NOTE 6: TAXES

	Quarter ended		Year to date		Year ended
	30 Sep 2025	30 Sep 2024	30 Sep 2025	30 Sep 2024	31 Dec 2024
(In thousands of USD)					
Tax payable	316	(1,106)	1,257	3,049	5,670
Change in deferred tax	-	-	-	-	(582)
Income tax expense	316	(1,106)	1,257	3,049	5,088

NOTE 7: SUBSEQUENT EVENTS

There have been no significant events or transactions after the reporting period that need to be disclosed in this quarterly report.

APPENDIX

Alternative performance measures

Shearwater prepares its financial statements in accordance with IFRS Accounting Standards as adopted by the EU and issued by the IASB. To provide additional insight into operational performance, management uses key operational indicators and alternative performance measures (APMs) that supplement IFRS figures. These non-IFRS measures, which include EBITDA, Free Cash Flow, Net Interest-Bearing Debt and backlog, help monitor business activity but are not intended to replace IFRS measures. APMs may differ from those used by other companies.

EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortisation)

Definition

EBITDA is a non-IFRS financial measure, calculated by subtracting each of the following items from Total Revenue and Other Income, as set forth in the consolidated statement of profit or loss prepared in accordance with IFRS: Cost of sales, Sales, general and administration costs. Costs related to Mergers and Acquisition (M&A) is not included in EBITDA as it is not considered ordinary operating expense.

Rationale

Shearwater uses EBITDA to assess underlying business performance, financial results and profitability. The measure excludes depreciation, amortisation and write-downs on past investments in tangible and intangible assets, as well as realised and unrealised currency translation effects from receivables, liabilities, loans and cash balances (reported under Other losses/gains, net). Internally, EBITDA is a key metric for evaluating the Group's ability to service debt and capital costs.

(In thousands of USD)	Notes	Quarter ended		Year to date		Year ended
		30 Sep 2025	30 Sep 2024	30 Sep 2025	30 Sep 2024	31 Dec 2024
Total revenue and other income	2	146,496	178,749	469,749	516,320	619,821
Cost of sales	3	131,789	119,400	371,950	344,955	426,685
Sales, general and administration cost		9,514	8,720	22,643	25,556	34,093
EBITDA		5,192	50,629	75,156	145,809	159,043
<i>EBITDA ratio (EBITDA / Total revenue and other income)</i>		4 %	28 %	16 %	28 %	26 %

Free Cash Flow (FCF)

Definition

Free Cash Flow (FCF) is a non-IFRS measure calculated by combining net cash flow from operating activities and investing activities, both subtotal line items in the IFRS cash flow statement. Shearwater adjusts FCF by excluding M&A transactions from investing activities (shown as an inverse figure in the reconciliation) and includes leasing payments as a net cash outflow. Leasing payments appear under financing activities in the IFRS cash flow statement.

Rationale

Shearwater uses Free Cash Flow to assess underlying business performance, financial results and cash generation. The measure isolates cash from operations while factoring in net investment in tangible assets, the multi-client library and lease payments for operational capacity.

(In thousands of USD)	Quarter ended		Year to date		Year ended
	30 Sep 2025	30 Sep 2024	30 Sep 2025	30 Sep 2024	31 Dec 2024
Net cash flow from operating activities	27,213	85,334	96,468	92,712	92,490
Net cash flow from investing activities	(6,581)	(20,803)	(38,573)	(98,057)	(122,355)
Adjusted for M&A transactions	-	-	-	41,350	41,365
Adjusted for leasing payments	(645)	(753)	(2,137)	(2,319)	(2,957)
Free cash flow	19,986	63,778	55,759	33,686	8,544

Net interest-bearing debt (NIBD)

Definition

Shearwater's NIBD equals total current and non-current interest-bearing debt (net of amortised loan costs), including lease liabilities, minus cash and cash equivalents.

Rationale

Net interest-bearing liabilities reflect Shearwater's net borrowing commitments and provide a useful measure of the Group's financial strength and capital structure flexibility.

(In thousands of USD)	30 Sep 2025	30 Sep 2024	31 Dec 2024
Borrowings	613,053	599,564	594,496
Financial leases	8,618	8,914	8,601
Interest-bearing debt	621,671	608,478	603,097
Cash and Cash equivalents	80,550	93,784	49,296
Net interest-bearing debt	541,122	514,694	553,800

Backlog and future coverage

Definition

Shearwater's backlog represents future revenue from signed contracts and binding letters of award at the reporting date. From the third quarter of 2025, multi-client commitments are included in the backlog. Backlog figures from earlier periods are not restated.

Rationale

The backlog, representing future revenue from signed contracts and binding letters of award, indicates the Group's committed and upcoming activity.

Backlog value	30 Sep 2025	30 Sep 2024	31 Dec 2024
(In thousands of USD)			
Total backlog	412,509	239,065	337,237

The three-year capacity reservation agreement for TotalEnergies, which was announced in March 2025 and guarantees a minimum of 18 months of streamer vessel activity, is included in the backlog at the estimated operational revenue for the remaining vessel months under the minimum commitment of the agreement.

Corporate overview and investor information



Cautionary note regarding forward-looking statements

This report contains forward-looking statements and information which are subject to uncertainties and assumptions as to future events that are difficult to predict and may not prove accurate. All statements in this report that are not of historical facts should be considered as forward-looking and the actual outcome of such statements can be significantly different than indicated herein. Forward-looking statements and information are given only at the time of the release of this report and are subject to change without notice. Shearwater undertakes no responsibility or obligation to update or alter forward-looking statements. Shearwater does not give any security that the forward-looking statements will come to pass, and any form of investment decisions should be based on investors' own due diligence.

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shearwater