SEA1 OFFSHORE INC.
REPORT FOR FOURTH QUARTER AND THE FISCAL YEAR 2024

On 14 February 2025 – Sea1 Offshore Inc. (the "Company"; Oslo Stock Exchange: SEA1) announces results for fourth quarter and the fiscal year ended 31 December 2024.

SELECTED FINANCIAL INFORMATION

When comparing the 4Q 2024 figures below to 4Q 2023, please note that the number of vessels owned has decreased by nine vessels following the sale on 5 July 2024 as described below and in the 3Q 2024 Report.

	Actuals	Actuals	Actuals	Actuals
	2024	2023	2024	2023
(Amounts in USD millions)	4Q	4Q	Jan-Dec	Jan-Dec
	Unaudited	*Unaudited*	*Unaudited*	*Audited*
Operating revenues	68.4	85.2	340.8	336.0
EBITDA	35.4	40.1	165.7	164.5
EBITDA, %	52%	47%	49%	49%
Operating profit/(loss)	17.3	90.5	241.4	163.3
Net profit/(loss)	3.5	100.1	202.9	173.1
Net profit (loss) attributable to shareholders	3.2	100.0	172.8	174.5
Net cash flow before debt repayment	-39.8	40.7	237.5	113.9
Repayment of interest-bearing debt	18.9	45.9	266.4	112.1
Net interest-bearing debt	270.7	365.1	270.7	365.1
Firm Contract Backlog	840.5	319.5	840.5	319.5
Total Equity	406.0	529.2	406.0	529.2
Cash and Cash equivalents	68.3	97.3	68.3	97.3

HIGHLIGHTS FOR THE FOURTH QUARTER

- EBITDA for the current fleet increased to USD 35.4 million in 4Q 2024, from USD 26.2 million in 4Q 2023 (adjusted for the 9 vessels sold in July 2024).
- Secured a multi-well project together with Viking Supply Ships for 3 AHTS' in Australia, commencing in 1Q 2025. The duration for this contract is minimum 16 wells firm. Total work for Sea1 Offshore's own vessels is estimated to be between 570 to 1000 vessel days, plus options. Exact number of days depends on the time spent on each well.
- Contract option exercised for the OSCV "Sea1 Spearfish" for one more year until 1Q 2026.
- Entered into shipbuilding contracts with Cosco Shipping (Qidong) Offshore Co. Ltd. for two high-end Offshore Energy Support Vessels. The vessels have scheduled deliveries from first quarter 2027 to second quarter 2027. The Company and Cosco Shipping are in discussion around future potential for further new building vessels.

- Purchased the shares in the subsidiary Sea1 AHTS Pool AS owned by a minority shareholder, representing 22% of the shares in the company. Following the transaction, Sea1 Offshore Inc. owns 100% of the shares in Sea1 AHTS Pool AS, which owns five AHTS vessels.
- The Research vessel "Joides Resolution" entered into layup in Kristiansand pending potential contract opportunities.
- A long-term incentive plan ("LTIP") established for the management team of the Company

SUBSEQUENT EVENTS

- On the back of solid results, a strong balance sheet and a significant backlog, a special dividend payment of NOK 7 per share was made to shareholders on 22 January 2025.
- Refinanced debt related to its two well intervention vessels. New credit facilities from commercial banks in a total amount of USD 250 million have been agreed, divided between a term loan and a revolving credit facility. Existing debt in a total amount of USD 102 million was repaid.
- Management for the nine sold vessels will be gradually transferred to a new manager during the period from January to April 2025.

MARKET AND OUTLOOK

The Construction Support Vessel market is almost sold out now, giving record rates for owners with available vessels. This is supported by a trend where engineering, procurement and construction (EPC) companies are taking vessels on long-term contracts. The strong outlook has led to orders for new builds in the 150 T and 250 T segments.

As usual, the North Sea AHTS market softened in 4Q 2024 after the project season, with vessels arriving back from both Africa and Canada, increasing availability, and putting pressure on rates.

The semi-rig activity in Australia will see a temporary decrease in 2025, which may result in more available support vessels in the region, or migration of vessels to other regions. This could, in the short term, lead to regional pressure on rates and utilization before we see new rig activity, which is expected in 2026.

The semi-rig count on the Norwegian side of the North Sea is expected to increase in 2025. This is positive and will hopefully give a rate and utilization uplift for the large AHTS vessels.

The AHTS project outlook for the North Sea, West Africa, Canada and Australia for the 2025 season is also promising, especially for larger AHTS with good capacities for FPSO mooring work. This will extract vessels out of the North Sea spot market and limit the supply side locally.

In Brazil, Petrobras has increased its E&P budgets, which leads to an increasing number of deepwater FPSO developments. In 2025, 4-5 new FPSOs will be installed in Brazil, and a total of 14 new FPSOs will be installed by 2029 by Petrobras and other international oil companies. Lately, Petrobras has been issuing tenders in categories such as PSV, AHTS, RSV, SOV, and MPSV, which is presently pulling vessels out of the North Sea and other regions. In addition, Petrobras is launching newbuild tenders for RSV, AHTS and PSV/OSRV vessel categories to be built at domestic yards. These vessels are expected to enter the market earliest in 2028 and onwards.

The expectations for 2025 are for further growth in the OSV market and increased demand. Tight supply in certain vessel segments will continue, but on the back of this, it also leads to steady day rates with potential for further improvements, which can bolster the case for more CSV newbuilds. Demand is expected to increase during 2025, and the challenge to secure high-end tonnage for charterers could become an increasing issue.

RESULTS AND FINANCE

Income Statements (4Q 2024 over 4Q 2023)

Operating revenues were USD 68.4 million (2023: USD 85.2 million). EBITDA was USD 35.4 million (2023: USD 40.1 million). The decrease in revenues from 4Q 2023 of USD 16.7 million was mainly caused by the sale of 9 vessels in July 2024 (USD 27.6 million in revenue for the sold vessels in 4Q 2023), partly offset by uplift in charter rates due to increased demand, particularly in the AHTS segment. The operating expenses decreased from 4Q 2023 by USD 11.7 million mainly due to the sale of 9 vessels in July 2024 (USD 13.7 million in operating cost for the sold vessels in 4Q 2023), partly offset by changes in area of operation and higher crew cost in Australia. A substantial part of these effects also resulted in a corresponding increase in revenues as these items are covered by charterers under the contractual terms. Administrative expenses were USD 6.4 million (2023: USD 6.7 million).

Operating profit/(loss) was USD 17.3 million (2023: USD 90.5 million) after depreciation and amortization expenses of USD 13.4 million (2023: USD 16.4 million) and after reversal of impairment of 67.0 million in 2023. Reduction of depreciation and amortization is mainly explained by fewer owned vessels in the quarter, following the sale of nine vessels in July 2024. Other gain/(loss) mainly relates to a profit-sharing agreement in relation to the sale of the AHTS vessels in July 2024.

Net financial items were USD -13.7 million (2023: USD -9.0 million) and include a net revaluation gain/(loss) of currency items of USD -8.3 million (2023: USD -3.0 million), of which USD -7.5 million was unrealized (2023: USD -2.5 million).

The net profit/(loss) attributable to shareholders was USD 3.2 million (2023: USD 100.0 million), representing USD 0.02 per share (2023: USD 0.42 per share).

Statements of Financial Position and Cash Flows

Shareholders' equity was USD 406.0 million on 31 December 2024, equivalent to USD 2.64 per share. Total book equity ratio was 49.6 %.

The gross interest-bearing debt was equivalent to USD 339.0 million. In the fiscal year of 2024, the Company made principal repayments of USD 266.4 million. In the same period, the Company made interest payments of USD 26.6 million. The weighted average cost of debt for the Company was approximately 7.0% p.a. on 31 December 2024 (31 December 2023: 6.7%). 29% of interest-bearing debt has fixed interest rate. On 31 December 2024 USD 66 million of the interest-bearing debt was classified as current debt.

On 31 December 2024 the share capital was USD 153.544 million, representing a total of 153,543,734 shares with a nominal value of USD 1.00 per share. Major shareholder Kistefos AS owns 79,585,160 shares, equal to 51.8%. Kistefos is represented at the Board of Directors by Chairman Christen Sveaas.

Net cash flow from operating activities for the fiscal year 2024 was USD 131.1 million and the cash position on 31 December 2024 was USD 68.3 million. Cash flow from investing activities was USD 62.4 million. Cash flow from financing activities was USD -222.3 million.

The Fleet

On 31 December 2024, the owned fleet totaled 17 vessels plus two vessels under construction (2023: 26 vessels), including partly owned vessels. One vessel was in lay-up at the end of the quarter (2023: 2). In addition to the owned fleet, the Company performs ship management services for 16 vessels. The management for 11 of these vessels will be transferred to a new manager during the period from January-April 2025. During 4Q, the Company has taken over management for 5 vessels owned by Viking Supply Ships. The overall fleet utilization in the quarter was 92% (2023: 87%), excluding vessels in lay-up. "Joides Resolution" entered into lay-up 1 October 2024.

Vessel availability (excluding firm backlog and options) for the owned fleet per 31 December 2024 was as presented below. Note that the laid-up scientific core-drilling vessel "Joides Resolution" is included in the Subsea segment.

	2025	2026	2027
PSV	0%	0%	30%
Subsea	20%	37%	54%
AHTS	44%	58%	67%
FC&OSRV	0%	24%	25%

Results for the Fourth Quarter 2024

Note that the operating revenue and operating cost for the nine vessels sold has been moved from its original segment and is now presented under the "Other" segment also for the comparable figures for 2023.

Platform Supply Vessels (PSVs)

The Company had 2 PSVs in the fleet at the end of the quarter (2023: 2, excluding the 4 PSV vessels sold to Siem). The PSVs recorded operating revenues of USD 6.0 million and had 100% utilization (2023: USD 3.7 million and 95%). The operating margin before administrative expenses for the PSVs was USD 3.9 million (2023: USD 1.4 million).

Subsea Vessels

The Company had 2 Offshore Subsea Construction Vessels (OSCVs), 2 Well-Intervention Vessels (WIVs) and 1 Scientific Core-drilling vessel at the end of the quarter (2023: 2 OSCVs, excluding the 2 OSCV vessels sold to Siem, 2 WIVs and 1 Scientific core-drilling vessel). The Subsea vessels earned operating revenues of USD 30.4 million and had 100% utilization excluding vessel in lay-up (2023: USD 34.3 million and 98%). The operating margin before administrative expenses was USD 21.4 million (2023: USD 23.0 million). The revenues and operating margin decreased from 2023 despite higher rates for the OSCV's, as the Scientific core-drilling vessel did not generate revenues in 4Q 2024.

Anchor-Handling Tug Supply (AHTS) Vessels

The Company had 5 large AHTS vessels and 1 medium-sized AHTS vessel at the end of the quarter (2023: 5, excluding the 3 AHTS vessels sold to Siem + 1 medium-sized AHTS). The AHTS fleet earned operating revenues of USD 26.2 million and had 82% utilization (2023: USD 15.5 million and 66%). The operating margin before administrative expenses was USD 13.4 million (2023: USD 6.6 million). The revenues and operating margin increased from 2023 mainly due to increased charter rates and utilization.

Other Vessels

The Company had a fleet of 4 smaller Fast Crew & Oil Spill Recovery Vessels at the end of the quarter (2023: 4). No vessels were in lay-up at the end of the quarter (2023: 2 vessels). Two vessels are on bareboat contracts to clients. The fleet earned operating revenues of USD 3.4 million and had 96% utilization (2023: USD 3.7 million and 100% excluding vessels in lay-up). The operating margin before administrative expenses for the fleet was USD 1.3 million (2023: USD 1.2 million).

Environmental, Social and Governance (ESG) & Health, Safety, Environment & Quality (HSEQ)

HSEQ

The Company has a continuous focus on safe and sustainable operations.

During 4Q 2024, Sea1 Offshore has operated diligently towards ESG goals, KPI's and strategy by means of several points of impact, such as:

- The "Annual safety wheel" defines priority topics and associated actions to ensure a stronger common focus on main challenges. We share our main topics with the industry. The main quarterly topics are personnel injuries, environment, mental health and health/working environment.
- Becoming an active member of the IMCA's global safety and security board.
- The Sustainable HSEQ and Business Compliance Strategy revised according to latest trends.
- 4Q – 2024 Safety Campaign – "Avoid hand and finger injuries" was rolled out in November.
- High-level HSSE meeting with Equinor, shipping companies and ship managers held in November. Sharing of incidents and good practices.
- Transparent and quality reporting of incidents is required by clients and our company – clients are very satisfied with Sea1 Offshores' reporting culture.
- High level of customer satisfaction, in operations and safety attitude onboard.
- Following serious incidents, the company investigates together with clients to identify root causes and to define corrective actions. Sharing of findings is an important part of this.
- Increased frequency of managerial visits/leadership engagements onboard our vessels.

Environment

For fleet emissions, the Company reports on the Carbon Intensity Indicator (CII), a proxy that measures grams CO2 total tailpipe emission per hour in operation. The CII was at the end of 3Q 2024 at 137.0g/kWh, and as per 31 December 2024 at 148.7g/kWh. The increase is mainly due to change in fleet mix. The Company proceeds with strenuous efforts to reduce emissions. The Company's goal of 50% reduction in 2030 compared to 2008 levels is in line with recommendations given by the Norwegian Shipowners Association.

In 4Q 2024 there were no oil spills to sea or other environmental incidents.

Social

The Company's main KPI on safety, Total Recordable Injury Frequency (TRIF), was 0.87 for the quarter (excluding four vessels in Brazil), positively below our target of 1.95. In the quarter there was one Lost Time Incident (LTI), giving a rolling 12month average of 0.64.

At end of the quarter, the relative share of female staff was 40.5% onshore and 6.7% offshore. As per our Human Rights policy, Sea1 Offshore is committed to the principles of non-discrimination and equal opportunity, regardless of gender, nationality, beliefs, or other factors.

Governance

Business Compliance, Anti-Corruption, sanctions, and Due Diligence of partners has high focus. Sea1 Offshore is a member of Transparency International and participate in their work. This gives a strong signal regarding the company's zero policy regarding such issues. Further, the Company is now a member of the global Maritime Anti-Corruption Network (MACN).

On the sustainability reporting as per EU's Corporate Sustainable Reporting Directive (EU CSRD), main part of the sustainability statement for 2024 is completed and dialogue with Auditors is ongoing. In the quarter a total of 21 internal and external audits, vettings, class surveys, and port state controls (excluding four vessels in Brazil) have been satisfactorily completed.

No governance incidents or whistleblower reports were registered during the quarter.

Contract Backlog

The firm total contract backlog on 31 December 2024 was USD 840 million. Reported backlog per 31 December 2023 was USD 235 million for the vessels today owned by the Company. The contract backlog is allocated as below:

(Amounts in USD millions)	2025	2026	2027 and onwards	Total
Firm Backlog	229	154	457	840
Options Backlog	21	69	535	626
Total Backlog including options	**251**	**223**	**993**	**1,466**

On behalf of the Board of Directors of Sea1 Offshore Inc.

14 February 2025

Christen Sveaas, Chairman

Celina Midelfart, Director

Fredrik Platou, Director

Ørjan Svanevik, Director

Bernt Omdal, Chief Executive Officer

CONSOLIDATED INCOME STATEMENT

(Amounts in USD 1,000)	Note	2024 4Q	2023 4Q	2024 Jan-Dec	2023 Jan-Dec
		Unaudited	*Unaudited*	*Unaudited*	*Audited*
Operating revenues	4	68,447	85,161	340,825	336,026
Operating expenses	8	-26,602	-38,344	-150,869	-149,239
Administrative expenses	8	-6,429	-6,717	-24,276	-22,301
EBITDA	**4**	**35,416**	**40,100**	**165,680**	**164,486**
Depreciation and amortization	4,5,8	-13,363	-16,401	-57,780	-68,023
(Impairment)/Reversal of impairment of vessels	4,5,10	-	66,966	159,116	66,966
Other gain/(loss)	10	-4,734	-177	-25,587	-178
Operating profit/(loss)		**17,319**	**90,488**	**241,430**	**163,251**
Financial income	9	1,545	5,165	8,768	11,053
Financial expenses	8,9	-6,951	-11,193	-28,064	-29,711
Net currency gain/(loss) on revaluation	9	-8,277	-3,003	-17,745	8,963
Net financial items		**-13,683**	**-9,031**	**-37,041**	**-9,695**
Result from associated companies		-	-75	-52	550
Profit/(loss) before taxes		**3,636**	**81,382**	**204,337**	**154,106**
Tax benefit/(expense)	7	-146	18,735	-1,388	19,027
Net profit/(loss)		**3,490**	**100,116**	**202,948**	**173,133**
Attributable to non-controlling interest		298	118	30,191	-1,381
Attributable to shareholders of the Company		**3,192**	**99,998**	**172,758**	**174,515**

STATEMENT OF COMPREHENSIVE INCOME

Net profit (loss)	**3,490**	**100,116**	**202,948**	**173,133**
Other comprehensive income / (expense)				
Items that will not be reclassified to the Income Statement:				
Pension re-measurement gain/(loss)	-144	-739	-144	-739
Items that may be subsequently reclassified to the Income Statement:				
Cash flow hedges	-2,579	2,852	-5,304	5,297
Currency translation differences	1,508	3,321	7,279	-7,893
Total comprehensive profit /(loss) for the period	**2,275**	**105,550**	**204,779**	**169,799**
Attributable to non-controlling interest	298	118	30,191	1,381
Attributable to shareholders of the Company	**1,977**	**105,431**	**174,588**	**171,180**
Weighted average number of outstanding shares(000's)	153,544	238,852	196,897	238,852
Earnings/(loss) per share (basic and diluted)	0.02	0.42	0.88	0.73

The accompanying Notes are an integral part of these Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Amounts in USD 1,000)	Note	31.12.2024	31.12.2023
ASSETS		*Unaudited*	*Audited*
Non-current assets			
Vessels and equipment	5,8	618,127	845,148
Vessels under construction	5	19,310	-
Capitalized project cost	5	-	1,533
Investment in associates and other long-term receivables		8,303	31,788
CIRR loan deposit [1)]		6,879	13,759
Deferred tax asset	7	27,651	27,586
Total non-current assets		**680,270**	**919,814**
Current assets			
Trade receivables and other current assets		69,294	69,830
Cash and cash equivalents	6	68,302	97,325
Total current assets		**137,596**	**167,155**
Total Assets		**817,866**	**1,086,969**
EQUITY			
Share capital		153,544	238,852
Other reserves [2)]		252,448	295,408
Total Shareholders´ equity		**405,992**	**534,261**
Non-controlling interest		-	-5,085
Total Equity		**405,992**	**529,176**
LIABILITIES			
Non-current liabilities			
Borrowings	6	273,275	249,861
CIRR loan [1)]		6,879	13,759
Other non-current liabilities	8	31,892	18,774
Total non-current liabilities		**312,046**	**282,395**
Current liabilities			
Current portion of borrowings	6	65,740	212,525
Accounts payable and other current liabilities	7,8	34,087	62,872
Total current liabilities		**99,828**	**275,398**
Total liabilities		**411,874**	**557,792**
Total Equity and Liabilities		**817,866**	**1,086,968**

1) Commercial Interest Reference Rate
2) Share premium reserves have been included in Other reserves

The accompanying Notes are in integral part of these Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Amounts in USD 1,000)	**2024 Jan-Dec**	**2023 Jan-Dec**
	Unaudited	*Audited*
Cash flow from operating activities		
Net profit/(loss)	202,948	173,133
Interest expense	29,157	34,209
Interest income	-8,768	-11,059
Currency hedge recycling	-	1,329
Tax benefit/(expense)	1,388	-19,027
Results from associated companies	52	-550
Other loss/(gain)	25,587	178
Reversal of impairment related to vessels and other long-term receivables	-159,116	-72,737
Depreciation and amortization	57,780	68,023
Unrealized currency gain/(loss)	19,769	-12,546
Changes in short-term receivables, payables and other accruals	-13,521	-5,920
Other changes	-2,581	2,324
Cash flow from operating activities	**152,695**	**157,356**
Interest paid	-26,610	-28,761
Interest received	6,592	8,450
Taxes paid	-1,607	579
Net Cash flow from operating activities	**131,070**	**137,624**
Cash flow from investing activities		
Capital expenditure in vessels and equipment	-52,864	-33,492
Proceeds from sale of fixed assets	93,728	16
Change in other non-current receivables	21,112	5,960
Dividend from associated companies	380	2,578
Cash flow from investing activities	**62,356**	**-24,937**
Cash flow from financing activities		
Net contribution from non-controlling interests	-8,573	3,109
Purchase of shares from minorities	-23,501	-
Paid leases	-993	-1,847
Payment of dividends to shareholders	-72,839	-
New loan facilities	150,000	-
Repayment of borrowings	-266,353	-112,145
Cash flow from financing activities	**-222,258**	**-110,883**
Net change in cash and cash equivalents	**-28,832**	**1,804**
Cash and cash equivalents, beginning of period	97,325	94,949
Effect of exchange rate differences	-190	571
Cash and cash equivalents, end of period	**68,302**	**97,325**

The accompanying Notes are an integral part of these Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(Amounts in USD 1,000)	Total no. of shares	Share capital	Share premium reserves	Own shares	Other reserves	Retained earnings	Share-holders' equity	Non-Contr. interest	Total equity
Equity at 1 Jan 2023	**238,852,052**	**238,852**	**163,160**	**-**	**-38,931**	**-**	**363,081**	**-3,703**	**359,377**
Net profit/(loss) for the period	-	-	-	-	-	174,515	174,515	-1,381	**173,133**
Pension re-measurement	-	-	-	-	-	-739	-739	-	**-739**
Cash flow hedge	-	-	-	-	5,297	-	5,297	-	**5,297**
Currency translation differences	-	-	-	-	-7,893	-	-7,893	-	**-7,893**
Equity at 31 Dec 2023	**238,852,052**	**238,852**	**163,160**	**-**	**-41,527**	**173,775**	**534,261**	**-5,085**	**529,176**

(Amounts in USD 1,000)	Total no. of shares	Share capital	Share premium reserves	Own shares	Other reserves	Retained earnings	Share-holders' equity	Non-Contr. interest	Total equity
Equity at 1 Jan 2024	**238,852,052**	**238,852**	**163,160**	**-**	**-41,527**	**173,775**	**534,261**	**-5,085**	**529,176**
Net profit/(loss) for the period	-	-	-	-	-	172,758	172,758	30,191	**202,948**
Pension re-measurement	-	-	-	-	-	-144	-144	-	**-144**
Cash flow hedge	-	-	-	-	-5,304	-	-5,304	-	**-5,304**
Currency translation differences	-	-	-	-	7,279	-	7,279	-	**7,279**
Receipt of own shares related to sale of vessels	-	-	-	-85,308	-	-145,046	-230,354	-	**-230,354**
Capital reduction, cancellation of shares related to sale of vessels	-85,308,318	-85,308	-	85,308	-	-	-	-	**-**
Purchase of shares from minority shareholder	-	-	-	-	-	1,605	1,605	-25,106	**-23,501**
Dividend	-	-	-	-	-	-72,839	-72,839	-	**-72,839**
Purchase of own shares related to long-term incentive program	-	-	-	-400	-	-655	-1,055	-	**-1,055**
Long-term incentive program	-	-	-	400	-	-614	-214	-	**-214**
Equity at 31 Dec 2024	**153,543,734**	**153,544**	**163,160**	**-**	**-39,552**	**128,840**	**405,992**	**-**	**405,992**

NOTES TO THE FINANCIAL STATEMENTS

Note 1 – Basis of Preparation

The financial statements have been prepared under the assumption that the Company and the Parent are going concerns. The assumption is based on the terms of the financing facilities, contract backlog, Company's strong equity position, cash position and forecasted cash flows.

The consolidated financial information for the period 1 January to 31 December 2024 has been prepared in accordance with IAS 34, 'Interim financial reporting'. The consolidated interim financial information should be read in conjunction with the audited annual financial statements for the year ended 31 December 2023, which have been prepared in accordance with IFRS standards.

Note 2 – Accounting Policies

The accounting policies applied are consistent with those of the audited annual financial statements for the year ended 31 December 2023 and with new standards, amendments to standards and interpretations that have become effective in 2024.

Note 3 –Key Risks

The Company is exposed to financial, commercial and operational risks that affect the financial position, earnings and cash flow of the Company.

3.1 Interest Risk

The Company is exposed to changes in interest rates as approximately 71% of the long-term interest-bearing debt was subject to floating interest rates at the end of December 2024. The remaining portion of the debt is subject to fixed interest rates.

3.2 Currency Risk

The Company is exposed to currency risk as revenues and costs are denominated in various currencies. The Company is also exposed to currency risk on long-term debt and cash position held in non-USD currencies. See Note 6 for details.

3.3 Inflation Risk

The Company is exposed to inflation risk. The revenues may not be inflated at levels that could compensate for inflated operating cost. In addition to general inflation rates, the operating expenses related to spare parts, service-personnel and logistics within the shipping industry are further exposed to inflation.

NOTES TO THE FINANCIAL STATEMENTS

3.4 Liquidity Risk

On 31 December 2024 USD 66 million of the interest-bearing debt of the interest-bearing debt was classified as current debt. On 5 July 2024 the Company completed the refinancing of certain parts of its debt, including the facilities maturing in 2024. Two new credit facilities were entered into, in addition to existing facilities with longer maturities. In January 2025 the Company refinanced debt related to its two well intervention vessels. New credit facilities from commercial banks in a total amount of USD 250 million were entered into, divided between a USD 150 million term loan and a USD 100 million revolving credit facility. Existing debt in a total amount of USD 102 million was repaid.

3.5 Commercial and operational risk

The Company is exposed to commercial risk as it operates in the cyclical oil and gas service markets and in the offshore renewables market with significant volatility in charter rates. Operational risk is related to availability of experienced crew and technical incidents with vessels and equipment. The Company is exposed to credit risk related to counter parties' ability to meet their financial obligations.

NOTES TO THE FINANCIAL STATEMENTS

Note 4 – Segment Reporting

Note that the operating revenue and operating cost for the nine vessels sold has been moved from its original segment and is now presented under the "Other" segment also for the comparable figures for 2023.

(Amounts in USD 1,000)	2024 4Q	2023 4Q	2024 Jan-Dec	2023 Jan-Dec
	Unaudited	*Unaudited*	*Unaudited*	*Audited*
Operating revenue by segments				
Platform Supply Vessels	5,976	3,681	19,056	14,010
Subsea Vessels	30,358	34,325	139,097	137,500
Anchor Handling Tug Supply Vessels	26,229	15,488	97,190	57,078
Fast Crew & Oil Spill Recovery Vessels	3,436	3,678	12,171	14,272
Other/Intercompany elimination	2,447	27,989	73,311	113,166
Total operating revenue	**68,447**	**85,161**	**340,825**	**336,026**
Operating margin by segments				
Platform Supply Vessels	3,925	1,392	9,595	4,465
Subsea Vessels	21,430	23,014	95,144	91,558
Anchor Handling Tug Supply Vessels	13,425	6,638	50,459	22,783
Fast Crew & Oil Spill Recovery Vessels	1,346	1,229	2,447	4,273
Other/Intercompany elimination	1,719	14,543	32,311	63,708
Total operating margin by segments	**41,845**	**46,817**	**189,956**	**186,787**
Administrative expenses	-6,429	-6,717	-24,276	-22,301
Total EBITDA	**35,416**	**40,100**	**165,680**	**164,486**
Depreciation by segments				
Platform Supply Vessels	-792	-675	-3,368	-2,501
Subsea Vessels	-7,245	-6,372	-29,622	-28,231
Anchor Handling Tug Supply Vessels	-4,676	-3,123	-15,878	-12,160
Fast Crew & Oil Spill Recovery Vessels	-483	-553	-2,207	-2,730
Other/Intercompany elimination	-167	-5,678	-6,705	-22,401
Total depreciation by segments	**-13,363**	**-16,401**	**-57,780**	**-68,023**
Reversal of vessel impairment by segments				
Platform Supply Vessels	-	-	7,098	-
Subsea Vessels	-	21,600	13,678	21,600
Anchor Handling Tug Supply Vessels	-	-	88,056	-
Fast Crew & Oil Spill Recovery Vessels	-	-	9,169	-
Other/Intercompany elimination	-	45,366	41,116	45,366
Total reversal of vessel impairment by segments	**-**	**66,966**	**159,116**	**66,966**

NOTES TO THE FINANCIAL STATEMENTS

Note 5 - Vessels, Equipment and Project Cost

(Amounts in USD 1,000)	Land and buildings	Vessels under construction	Vessels and equipment	Capitalized project cost	Total
Purchase cost at 1 January 2024	**7,778**	**-**	**2,195,007**	**8,170**	**2,210,955**
Capital expenditure	-	19,310	33,554	-	52,864
Movement between groups	-43	-	-8,992	-	(9,035)
The period's disposal of cost	-1,933	-	-744,924	-8,045	-754,902
Effect of exchange rate differences	-385	-	-40,288	-125	-40,798
Purchase cost at 31 December 2024	**5,417**	**19,310**	**1,434,357**	**-**	**1,459,084**
Accumulated depreciation at 1 January 2024	**-3,408**	**-**	**-881,745**	**-6,637**	**-891,791**
Accumulated impairment at 1 January 2024	**-**	**-**	**-472,484**	**-**	**-472,484**
Movement between groups	43	-	8,991	-	9,035
The year's depreciation	-508	-	-57,237	-35	-57,780
The period's impairment	-	-	-16,018	-	-16,018
The period's reversal of impairment	-	-	175,134	-	175,134
The year's disposal of accumulated depreciation	1,922	-	272,758	6,547	281,227
The year's disposal of accumulated impairment	-	-	124,946	-	124,946
Effect of exchange rate differences	240	-	25,718	125	26,084
Accumulated depreciation and impairment	**-1,711**	**-**	**-819,936**	**-**	**-821,646**
Net book value at 31 December 2024	**3,706**	**19,310**	**614,420**	**-**	**637,437**

The balance of capitalized project costs relates to specific contracts. The costs are amortized over the economic life.

The book values related to the 9 vessels sold to Siem were removed from the value of Vessels and equipment, and is presented as the period's disposal of cost, accumulated depreciation and accumulated impairment as per 31 December 2024. A net reversal of impairment was made per 30 June 2024, see note 10.

The Company identified indicators of reversal of impairments for the vessels remaining in the Company per 30 June 2024, and a value-in use test was performed. See note 10. The Company did not identify any further indicators of impairment, nor of reversal of impairment at the end of 4Q 2024. The Company concluded not to recognize any further impairment, nor any reversal of impairment in 4Q 2024.

NOTES TO THE FINANCIAL STATEMENTS

Note 6 – Interest-Bearing Debt

(Amounts in USD 1,000)	**31.12.2024**	**31.12.2023**
	Unaudited	*Audited*
Total cash and cash equivalents	**68,302**	**97,325**
Current portion of borrowings	-65,740	-212,525
Non-current portion of borrowings	-273,275	-249,861
Gross interest-bearing debt	**-339,015**	**-462,387**
Net interest-bearing debt	**-270,713**	**-365,062**

As part of the sales transaction in July 2024, Siem assumed USD 117.5 million of existing vessel debt as part of the transaction, plus covered interest of USD 2.3 million.

The interest-bearing debt remaining in the Company is denominated in USD. The cash position is denominated in USD at 73%, NOK at 1%, BRL at 25% (Brazil only allows bank deposits in BRL), and other currencies at 0%. Restricted funds were USD 7.6 million.

Following the purchase of the shares in the subsidiary Sea1 AHTS Pool AS previously owned by a minority shareholder, the shareholder's loan from the minority shareholder was repaid.

All bank debt in Brazil (USD 98.3 million), has long dated tenors (2030-2035), and fixed interest rates at a weighted average of 3.6% p.a.

For further information related to refinancing and key risks, see note 3.

Note 7 – Taxes

The Company is subject to taxes in several jurisdictions where significant judgement is required in calculating the tax provision for the Company. There are several transactions for which the ultimate tax cost is uncertain and for which the Company makes provisions based on internal estimates, tax treaties and tax regulations in countries of operation and appropriate external advice. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such difference will impact the tax charge in the period in which the outcome is determined. The Company holds a significant balance of losses carried forward and other tax positions that may be offset against future tax positions, provided that the Company earns taxable profits and that current tax regulations are maintained. As the timing and valuation of the tax positions are uncertain, the Company has included only a minor share of its potential deferred tax asset in the Balance sheet.

NOTES TO THE FINANCIAL STATEMENTS

Note 8 - Leases

The Company has entered into various operating leases for office premises, office machines and communication satellite equipment for the vessels. The lease period for the lease agreements varies and most of the leases contain an option for extension. The interest rates in the calculation of net present values are in the range of 9%-13% depending on the base currency, the nature of the lease and the length of the leasing agreement.

Consolidated Statements of Financial Position:

(Amounts in USD 1,000)

Right of use assets at 1 January 2024	**5,680**
The period's depreciation	-760
Effect of exchange rate differences	-145
Right of use assets at 31 December 2024	**4,776**

The balance sheet shows the following amounts relating to leases:

(Amounts in USD 1,000)	**31.12.2024**	**31.12.2023**
Right of use assets*		
Office premises	3,711	4,363
Vessels and Equipment	1,064	1,317
Total	**4,776**	**5,680**

*included in the line item "Vessels and equipment" in the Consolidated Statements of Financial Position.

(Amounts in USD 1,000)

Lease liability at 1 January 2024	**5,709**
Lease payments	-993
Interest cost	516
Effect of exchange rate differences	-149
Lease liability at 31 December 2024	**5,082**

(Amounts in USD 1,000)	**31.12.2024**	**31.12.2023**
Lease liabilities**		
Current	894	918
Non-Current	4,187	4,791
Total lease liabilities	**5,082**	**5,709**

**included in the line item "other liabilities" for current and non-current liabilities respectively in the Consolidated Statements of Financial Position.

NOTES TO THE FINANCIAL STATEMENTS

Note 9 – Financial Items

(Amounts in USD 1,000)	**2024 4Q**	**2023 4Q**	**2024 Jan-Dec**	**2023 Jan-Dec**
	Unaudited	*Unaudited*	*Unaudited*	*Audited*
Interest income	1,545	5,135	8,668	11,028
Other financial income	-	31	100	25
Total financial income	**1,545**	**5,165**	**8,768**	**11,053**
Interest expenses	-6,642	-10,847	-29,157	-34,209
Reversal of impairment related to Seller's credit Siem Marlin	-	-	2,773	5,771
Other financial expenses	-309	-346	-1,680	-1,274
Total financial expenses	**-6,951**	**-11,193**	**-28,064**	**-29,711**
Net currency gain/(loss)	-8,277	-3,003	-17,745	10,292
Hedge accounting recycling	-	-	-	-1,329
Total currency gain/ (loss) on revaluation	**-8,277**	**-3,003**	**-17,745**	**8,963**
Net financial items	**-13,683**	**-9,031**	**-37,041**	**-9,695**

The net effect of currency items in the Income Statement and in the Statement of Other Comprehensive Income, including currency translation differences and currency hedges, was USD -9.3 million in 4Q 2024. USD -8.3 million is due to assets that is nominated in non-USD currencies (BRL, CAD, AUD) that has depreciated against USD. However, in real terms USD-valuation for global mobile vessels is most likely not affected by fluctuation in local currencies.

NOTES TO THE FINANCIAL STATEMENTS

Note 10 – Reversal of impairments

	2024	2023	2024	2023
(Amounts in USD 1,000)	**4Q**	**4Q**	**Jan-Dec**	**Jan-Dec**
	Unaudited	*Unaudited*	*Unaudited*	*Audited*
Platform Supply Vessels	-	-	7,098	-
Subsea Vessels	-	21,600	13,678	21,600
Anchor Handling Tug Supply Vessels	-	-	88,056	-
Fast Crew & Oil Spill Recovery Vessels	-	-	9,169	-
Other/Intercompany elimination	-	45,366	41,116	45,366
Total reversal of impairment for vessels	**-**	**66,966**	**159,116**	**66,966**

Of the impairment above for the period Jan-Dec 2024, a net reversal of USD 41.1 million is related to sale of the 9 vessels and is reflected under the "Other" segment. For the purpose of evaluating overall effects of the sale, note that, the operating revenue and operating expenses for the sold vessels have been included from 1 January - 4 July 2024 in the Consolidated Income Statement. Other gains/(loss) in the Consolidated Income Statement includes the cost related to the liability for the estimated operating margin for the 9 vessels from 1 April 2024 until the sale on 5 July (Siem resumed risk and reward of the vessels from 1 April 2024) plus the estimated transaction fees, less the compensation for management fee and the compensation for the finance cost related to the sold vessels. In addition, the cost for the profit-share agreement for the AHTS for 3Q and 4Q 2024 has been included under Other gains/(loss).

For the remaining vessels, as per 30 June 2024, the Company identified indicators that vessel values should be tested in compliance with IAS 36. The indicators were increased charter rates, Company's financial results and position, cash flows and the Company's market capitalization versus book equity. Value-in-use calculation (VIU) was made for all vessels that have recorded impairments, which are considered separate cash generating units (CGU). Broker valuations were collected from two independent brokers and the average value was used as a reference for recoverable values.

Based on the value-in-use calculations the Company concluded to reverse impairments for nine vessels at a total of USD 118.0 million in 2Q 2024. For other vessels there were minor positive and negative variances to book values. However, the net effect of such variances was considered immaterial. The weighted average cost of capital (WACC) was recalculated based on parameters observed and estimated at the end of the quarter. The WACC was 9.66% on 30 June 2024 (31 December 2023: 9.46%).

VIU is based on the present value of discounted cash flows for each separate CGU for the remaining lifetime, based on firm contracts, market views for future revenues, operating cost, drydocking and periodic maintenance cost and at a discount rate calculated as the WACC. Three scenarios have been considered, and a weighted average of the scenarios has been calculated. Operational expenses, class renewals and periodic maintenance that are directly attributable to the CGU are based on actuals and forecasts as applicable.

The Company did not identify any further indicators of impairment, nor of reversal of impairment at the end of 4Q 2024. The Company concluded not to recognize any impairment, nor any reversal of impairment in 4Q 2024.

ALTERNATIVE PERFORMANCE MEASUREMENT (APM)

The Company has identified several APMs that are consistently applied for the reporting periods. The APMs are supplementary to the Financial Statements that are disclosed in compliance with IFRS. The APMs are disclosed to give a broader understanding of the operations, financial position, and associated risk of the Company.

EBITDA – EBITDA (Earnings before interest, taxes, depreciation and amortization, previously referred to as operating margin) is the net of operating revenue and operating and administrative expenses. For 2024 operating revenues USD 340.8 million less operating and administrative expenses at totally USD 175.1 million equals EBITDA at USD 165.7 million. The Company considers the EBITDA to be a key number when analyzing the fleets operating performance and the margin that can be applied to the finance of capital expenditures, debt service and other cash disbursements.

EBITDA percentage – EBITDA, % is the nominal EBITDA calculated as a percentage of operating revenue. For 2024 the EBITDA at USD 165.7 million equals 49% of the operating revenue at USD 340.8 million. The EBITDA percentage is used to compare, period by period, the development in relative EBITDA from operations. The EBITDA-% is also used for comparing segments' relative performance.

Operating Margin – Operating margin is the net of operating revenue and operating expenses, before administrative expenses. The figure is used for analyzing vessel segments. For 2024 operating revenues USD 340.8 million less operating expenses at totally USD 150.9 million equals Operating margin of USD 190.0 million. The Company considers the Operating margin to be a key number when analyzing the fleets operating performance and the margin that can be applied to the finance of capital expenditures, debt service and other cash disbursements.

Equity Ratio – Total Equity (including Non-controlling interest) relative to Total Equity and Liabilities.

OTHER DEFINTIONS

Contract backlog – Firm backlog is the total, nominal value of future revenues from firm contracts, excluding optional periods. The contract backlog is categorized per year, and reflects coming years' operating revenues that are considered firm following contracts agreed with clients. Optional backlog is the total, nominal value of future revenues from optional contract periods.

Utilization – vessels' effective time on hire relative to total time available in the reporting period, excluding vessels in lay-up. The relative utilization is reflecting the time that a vessel or the fleet has been on hire with clients. Zero utilization is reported when a vessel is off-hire caused by technical issues or when idle, awaiting employment.

Capital expenditure - gross capital expenditure related to tangible assets at acquisitions, upgrades, class renewals (Dry-docking) and major periodic maintenance.

Earnings per share - Result attributable to the shareholders divided by weighted average number of shares.

Comprehensive income per share – Comprehensive income for the period for the Group divided by weighted average number of shares at the end of the reporting period.

Interest-bearing debt – Current and long-term interest-bearing debt.

Net interest-bearing debt – Interest-bearing debt less cash and cash equivalents.

Vessel availability – Available days are defined as the percentage of days not included in a firm contract period or option period.

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