Disciplined execution
Seismic matters

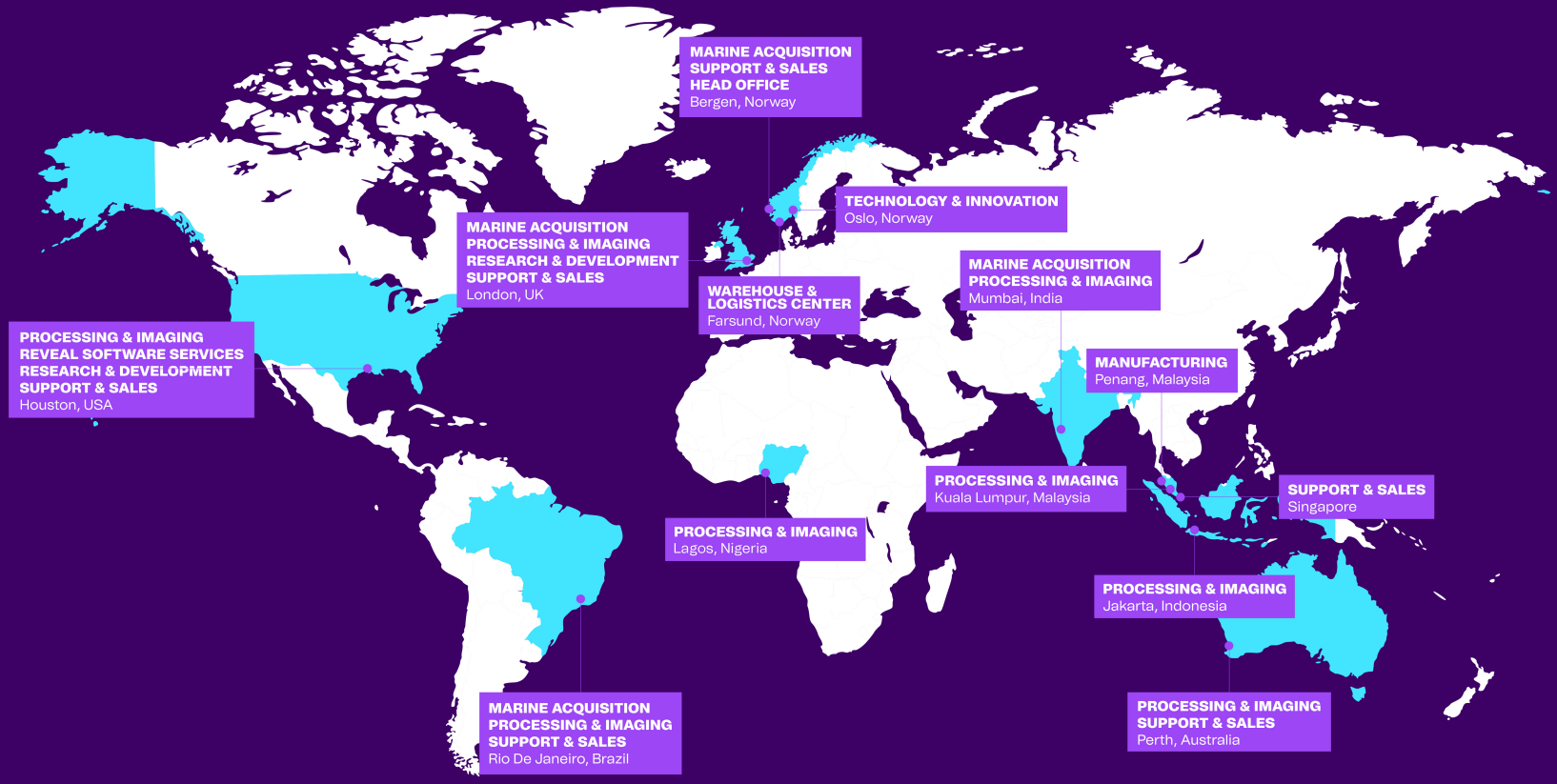
SHEARWATER GEOSERVICES AS

THIRD QUARTER 2026 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 1,000 people.



shearwater

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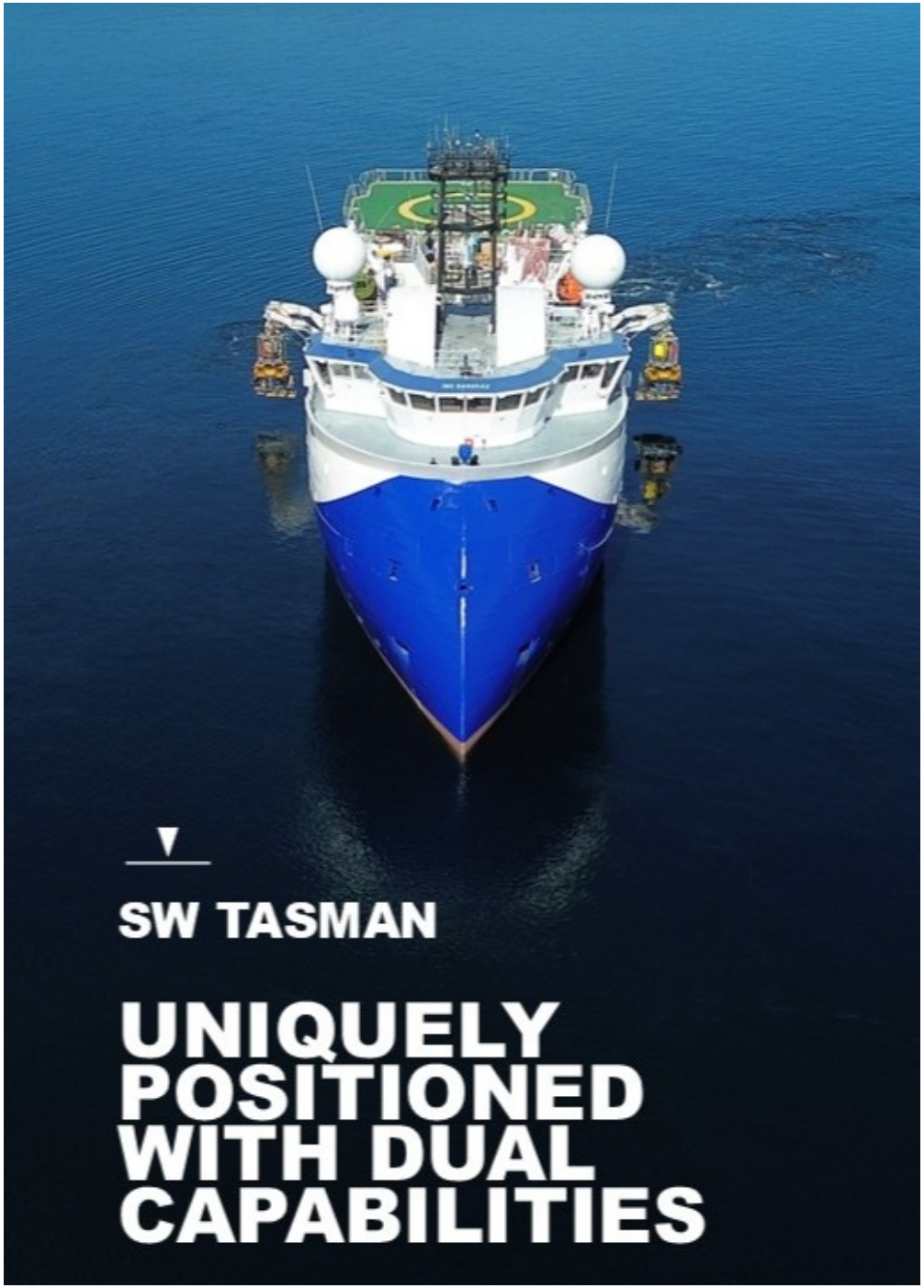
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KEY INSIGHTS

Key takeaways

Soft Q3 contract activity due to few awards through 1H 2026

Continued strong multi-client revenue contribution of USD 36 million

59% fleet utilisation across 7.3 active vessels, including one OBN crew

End-Q3 backlog up 3.5x from Q2 to USD 755 million driven by strategic client awards

Materially improved 2027 visibility, with three vessels fully committed for the year and high H1 coverage

REVENUE USD
107.0M

compared to USD 146.5 million in Q3 2025

EBITDA USD
14.7M

compared to USD 5.2 million in Q3 2025

EBIT USD
-21.6M

compared to USD -24.5 million in Q3 2025

Key figures

		Quarter ended		Year to date		Year Ended
	Unit	30 Sep 2026	30 Sep 2025	30 Sep 2026	30 Sep 2025	31 Dec 2025
Operating revenue	USD million	107	146	376	470	639
EBITDA [1]	USD million	15	5	73	75	119
EBITDA margin [1]	%	14%	4%	19%	16%	19%
EBIT	USD million	-22	-24	-32	-25	-40
Net income before taxes	USD million	-34	-40	-79	-69	-99
Net income	USD million	-34	-40	-83	-70	-107
Cash flow from operations	USD million	-3	27	104	96	122
Free cash flow [1]	USD million	-32	20	22	56	64
Cash and cash equivalents	USD million	79	81	79	81	65
Net Working Capital	USD million	90	136	90	136	119
Net Interest-bearing Debt [1]	USD million	517	541	517	541	554
Total Assets	USD million	1,184	1,235	1,184	1,235	1,232
Book Equity	USD million	387	464	387	464	427
Book Equity Ratio [5]	%	33%	38%	33%	38%	35%
NIBD / EBITDA last 12 months[4]	x.x	4.4	6.1	4.4	6.1	4.6
Backlog [1]	USD million	755	413	755	413	316
Fleet Utilisation Rate [2]	%	59%	68%	69%	80%	77%
Active vessels [3]	x.x	7.3	7.8	7.9	8.3	8.4

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

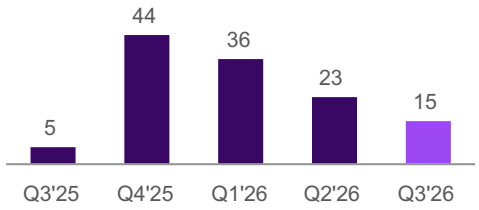
[2] Shearwater's owned fleet working on and/or transiting to a contract/Multi-Client work as a percentage of the active vessels

[3] Active vessels include all owned vessels that are not warm or cold stacked

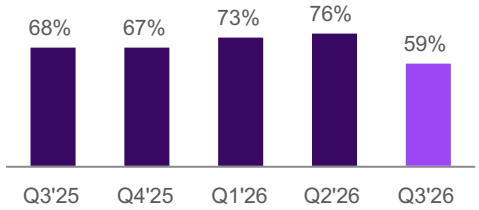
[4] NIBD/EBITDA last 12 months covenant suspended as from Q2 2026, see stock exchange notice 12 June 2026

[5] Equity-ratio includes shareholder loan as part of equity in the calculation

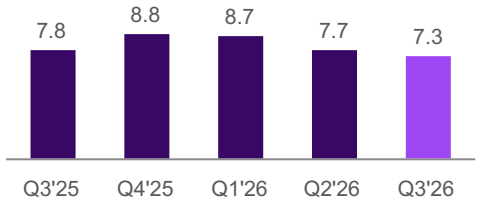
EBITDA USD million



Fleet Utilisation Rate



Active vessels





CEO Comment

"The third quarter reflected a continued soft contract market as anticipated, with low fleet utilisation following few projects awarded through first half of the year. At the same time, we benefitted from the organic build-up of our multi-client business with another strong quarterly contribution. We also made material commercial progress with several contract awards and new industry-backed multi-client surveys. We ended the quarter with a record USD 755 million backlog and a strong foundation for increased activity in the fourth quarter and into 2027.

Although it is too early to conclude that a sustained market recovery is underway, our visibility into 2027 is substantially improved. We have three vessels fully committed throughout the year and strong coverage across the active fleet for the first half. Additionally, more than 50% of our backlog comprises multi-year programmes, extending our scheduling horizon. The two large India surveys and the three-year OBN award offshore South America are important contributors, with the latter demonstrating the commercial potential of SW Tasman/Pearl platform.

That said, I want to emphasise that the stronger backlog does not change our commitment to disciplined fleet deployment and cost control. We prioritise utilisation for our active fleet at improved margins and are not planning for any vessel reactivations.

Our multi-client business reached two milestones in the period. First, we have commenced the Amapá survey offshore Brazil with SLB, a major programme adjacent to the Morpho discovery. Secondly, we just completed our first stand-alone survey in the Norwegian Sea. Both projects deploy our state-of-the-art Isometrix technology.

Recent awards, improved forward coverage and ongoing customer discussions are encouraging, and reflect the need for reserve replacement, energy security and exploration. Our focus remains on efficient operational delivery, securing quality backlog and investing selectively in multi-client opportunities. We enter the coming year with materially improved visibility and a more favourable market backdrop, while maintaining discipline on capacity and investments."

- Irene Waage Basili, CEO of Shearwater Geoservices AS

PROGRESS

Operational review

As expected, the marine seismic activity was muted in the third quarter of 2026.

In the period, Shearwater operated an average of 7.3 active vessels compared to 7.7 active vessels in the second quarter of 2026 and 7.8 in the third quarter of 2025. Following the multi-project ONGC award in August, Oceanic Sirius was reactivated and mobilised for operations in India, contributing to the variation in the average number of active vessels during the period. Utilisation of the active fleet was 59%, compared with 76% in the previous quarter and 68% in the third quarter of 2025.

In the streamer contract market, the five-month 3D survey for ExxonMobil in Trinidad and Tobago, utilising Amazon Warrior, concluded in mid-July. The vessel was subsequently mobilised for a multi-client project. In Australia, SW Bly executed a 50-day 3D carbon capture and storage (CCS) seismic survey contract, before commencing mobilisation preparations for a 3D survey in Vietnam to be acquired in the fourth quarter. Amazon Conqueror concluded a 3D streamer contract in the North Sea before executing two North Sea site characterisation surveys. The surveys represent early applications of Isometrix for offshore site characterisation, expanding the Group's technology offering beyond conventional seismic acquisition. SW Empress was kept warm during the quarter, mobilising for a one-month DAS survey in Guyana in early fourth quarter. In August, Shearwater announced two large 3D seismic acquisition projects for ONGC offshore India, representing 15 vessel months of backlog, materially improving vessel utilisation visibility into 2027. Oceanic Sirius and SW Duchess were mobilised to the surveys which both commenced at the start of the fourth quarter.

In the ocean-bottom node (OBN) market, SW Tasman, supported by SW Gallien, successfully completed a two-month 3D survey at the Adura Jackdaw field in the UK in July. Following the installation of electric ROVs on SW Tasman, the crew commenced a seven-week North Sea OBN survey in September. In challenging North Sea operating conditions, the vessel achieved node deployment and recovery rates averaging 450 nodes per day using a single ROV, while maintaining sub-metre node positioning accuracy. This combination of operational efficiency and positioning precision demonstrates the effectiveness of ROV-based node operations for shallow-water OBN projects. Also in September, Shearwater was awarded a significant three-year OBN seismic acquisition contract offshore South America, with firm scopes in the first and third years of the award period. The contract will be carried out by SW Tasman utilising Shearwater's Pearl node technology, supported by SW Gallien for source operations. Mobilisation commenced in the fourth quarter, with operations continuing through 2027, while the subsequent scope is expected to commence in late 2028 and continue for approximately ten months.

Within multi-client, Shearwater in August launched a new 3D survey in the Norwegian Sea. It was both the Company's first standalone multi-client survey, reflecting the capabilities of the Shearwater organisation, and the first on the Norwegian continental shelf. Amazon Conqueror was deployed for the approximately seven-week survey, utilising Shearwater's Isometrix technology. In September, Shearwater launched the Amapá 3D multi-client seismic survey in partnership with SLB offshore Brazil, representing one of Shearwater's most significant multi-client investments. Amazon Warrior is booked on the project throughout 2027, acquiring the survey using Shearwater's Isometrix technology, with SLB providing data processing and imaging.

At 30 September 2026, the backlog was USD 755.1 million. In comparison, the backlog stood at USD 212.6 million at the end of the previous quarter and USD 412.5 million at 30 September 2025. The increase was underpinned by material contract awards and project announcements during the third quarter, taking the underlying open-market backlog to an all-time high. The open-market backlog excludes the 2020-2025 backlog contribution from the capacity agreement with CGG associated with the acquisition of the company's seismic vessels and equipment. Importantly, over half of the backlog is represented by multi-year programmes, adding visibility to fleet scheduling going forward. From the third quarter of 2026, Software, Processing & Imaging (SPI) commitments are included in the backlog. Backlog figures from earlier periods are not restated.

Shearwater continuously assesses fleet capacity, including potential vessel divestments, against operational and market requirements. Any reactivation of vessels would require sufficient visibility on firm client commitments. The cost and efficiency programme remains on track to deliver USD 40 million in annual savings, with the full benefit expected to be reflected in the Group cost base by year-end.

Shearwater recorded two HSE incidents in the third quarter of 2026, compared with three recordable incidents in the corresponding period of 2025. None of the incidents in either the current period or in the prior-year were classified as high-potential.

Q3 financial review - IFRS

Profit and loss

Total revenue in the third quarter of 2026 was USD 107.0 million, a decrease of 27% from USD 146.5 million in the same period of last year. Marine Acquisition represented 51% (86%) of the revenue, the Multi-client segment 34% (8%) and the Software, Processing & Imaging (SPI) 8% (6%). The Group continued to benefit from the organically built multi-client business, with revenue of USD 36.1 million in the quarter, bringing year-to-date segment revenue to USD 80.7 million, already exceeding the full-year 2025 level. Multi-client revenue recognition is dependent on the timing of data deliveries, resulting in continued quarterly variation.

Operating expenses included in EBITDA were USD 92.4 million compared to USD 141.3 million in the same period of 2025, reflecting a higher allocation of costs to multi-client activities and fewer utilised active vessel months compared with the prior-year period.

EBITDA increased to USD 14.7 million from USD 5.2 million a year earlier due to the higher Multi-client sales. As expected, the Marine Acquisition segment's financial performance reflected muted contract activity during the first half of the year and the resulting low active fleet utilisation in the quarter. Recent project awards are expected to support increased Marine Acquisition activity in the fourth quarter and into 2027. Software, Processing and Imaging (SPI), while relatively small in financial terms, remains an important part of Shearwater's offering, with positive underlying financial development.

Depreciation, amortisation and impairment were USD 37.3 million compared to USD 31.2 million in the year-ago-period. Of this, straight-line amortisation of the multi-client library was USD 7.8 million (USD 1.7 million), while accelerated amortisation of the multi-client library was USD 9.0 million in the current quarter. There was no accelerated amortisation in the third quarter of 2025.

Total operating expenses were USD 128.6 million compared to USD 171.0 million in the same period of 2025. EBIT was negative USD 21.6 million compared to negative USD 24.5 million in the same quarter last year. Net financial items were negative USD 12.3 million compared to negative USD 15.6 million in the year-ago period, reflecting primarily interest expenses on the Group's secured debt.

Net loss before taxes was USD 33.9 million compared to a loss of USD 40.1 million in the third quarter of 2025. Tax expense was USD 0.2 million compared to a tax expense of USD 0.3 million a year earlier. The net loss for the quarter was USD 34.1 million compared to a net loss of USD 40.4 million a year earlier.

Cash flows

Net cash flow from operating activities was negative USD 2.8 million compared to positive USD 27.2 million in the same period last year. The difference between net cash flow from operations and EBITDA in the quarter reflects partly an increase in working capital items. Generally, 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 from investing activities was negative USD 28.1 million compared to negative USD 6.6 million a year earlier. This included capital expenditures of USD 9.4 million, reflecting scheduled yard stays and manufacturing of seismic equipment. This compares with USD 1.8 million in the year-ago period. Multi-client investment was USD 18.7 million in the quarter, compared with USD 4.8 million, in line with the increased segment activity.

Net cash flow from financing activities was negative by USD 19.0 million, driven by scheduled instalments and interest paid on the bank term loan for the current quarter. In comparison, net cash flow from financing activities in the same period of last year was positive by USD 13.5 million, reflecting drawdown on the revolving credit facility offset by interest payable. The shareholder loan of USD 40 million drawn in June was converted to equity in July. The cash inflow came in the second quarter and the conversion is reflected as a reclassification in the cash flow statement.

Net decrease in cash holdings (excluding translation effects on the cash balance) for the quarter was USD 49.9 million compared to an increase of USD 34.1 million a year earlier.

Financial position

At 30 September 2026, total assets amounted to USD 1,184.5 million compared to USD 1,193.4 million at 30 June 2026. The carrying value of the multi-client library (net of amortisation) increased from USD 63.9 million 30 June 2026 to USD 67.2 million at 30 September 2026. Tangible assets were USD 814.3 million, compared to USD 815.2 million at 30 June 2026. Current assets decreased from USD 299.2 million at 30 June 2026 to USD 290.4 million at 30 September 2026. Cash holdings at 30 September 2026 were USD 79.1 million compared to USD 131.6 million at 30 June 2026.

Book equity was USD 387.3 million, corresponding to an equity ratio of 33%, measured as consolidated equity to total assets. This compares to USD 381.4 million and 35% at 30 June 2026.

At 30 September 2026, the Group's total interest-bearing debt was USD 596.3 million compared to USD 634.6 million at 30 June 2026, of which the net decrease is primarily due to the shareholder loan provided by Shearwater Geoservices Holding AS being converted to equity in the quarter, reflecting the equity contribution from the main ultimate shareholder, RASMUSSENGRUPPEN, in June. Shearwater's debt financing is comprised primarily of secured bank facilities and an issued bond. Net interest-bearing debt (NIBD) was USD 517.2 million compared to USD 463.0 million at 30 June 2026.

Shearwater was in compliance with all its financial covenants as at 30 September 2026.

Market and outlook

Recent awards and customer discussions indicate increasing demand for marine seismic data acquisition. Announced exploration ambitions in India, Brazil, West Africa and on the Norwegian continental shelf offer tangible opportunities for future activity. Leading E&P companies are also increasing the share of capital expenditures allocated to exploration, while maintaining discipline on total spending. Although it is too early to conclude that a sustained market recovery is underway, these are factors supporting higher activity in 2027. Recent awards include a four-month 4D towed streamer project for TotalEnergies offshore Angola, commencing in December 2026.

Shearwater experiences a strong momentum for the Multi-client business which is broadening the global market access with attractive industry supported surveys. Together with key contract wins, this has led to a material increase in backlog and improved visibility into 2027 for the active fleet. Three vessels are fully committed throughout next year, and multi-year seismic acquisition programmes account for more than half of the backlog, improving long-term fleet scheduling. At the same time, the global supply of high-end seismic streamer vessels is tightening.

Against that backdrop, Shearwater will remain committed to disciplined fleet deployment, prioritising utilisation of the current active fleet with no further near-term vessel reactivations planned. Any reactivation of vessels would require sufficient visibility on firm client commitments. Consequently, the focus remains on efficient operational delivery, cost control, and continued commercial progress at the right terms to secure quality work and disciplined multi-client investments.

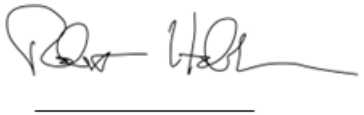
Long-term seismic fundamentals remain strong. Reserve replacement needs, energy security priorities and a renewed focus on exploration underpin demand for seismic data and support a positive longer-term industry outlook.

Board's approval

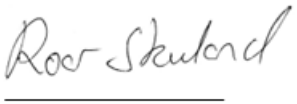
Condensed consolidated financial statements and interim management report

Today, 26 November 2026, 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 2026.

Bergen, 26 November 2026
The Board of Directors and Chief Executive Officer of Shearwater Geoservices AS



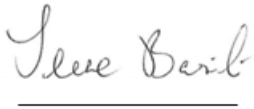
Robert Hobbs
Chairman of the Board



Roar Skuland
Board member



Gunnvor Dyrdi Remøy
Board member



Irene Waage Basili
Chief Executive Officer

RESULTS

Interim financial statements (IFRS)

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CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

The Shearwater Geoservices AS group		**Quarter ended**		**Year to date**		**Year ended**
(In thousands of USD)	**Notes**	**30 Sep 2026**	**30 Sep 2025**	**30 Sep 2026**	**30 Sep 2025**	**31 Dec 2025**
Total revenue and other income	2	107,030	146,496	376,370	469,749	638,600
Operating expenses						
Cost of sales	3	85,126	131,789	275,289	371,950	482,556
Depreciation, amortisation and impairment	4	37,350	31,167	104,723	99,471	148,754
Sales, general and administration cost		7,245	9,514	28,085	22,643	36,797
Other losses (gains) net		(1,105)	(1,513)	374	637	10,506
Total operating expenses		**128,615**	**170,958**	**408,471**	**494,700**	**678,613**
Operating profit (EBIT)		**(21,585)**	**(24,462)**	**(32,102)**	**(24,952)**	**(40,013)**
Financial income		300	(207)	522	1,717	1,806
Financial expenses		12,646	15,393	47,301	45,379	60,750
Net financial items income/(expenses)		**(12,346)**	**(15,600)**	**(46,779)**	**(43,662)**	**(58,943)**
Net income before taxes profit/(loss)		**(33,932)**	**(40,062)**	**(78,881)**	**(68,614)**	**(98,956)**
Tax expense (income)	6	212	316	3,790	1,257	7,634
Net income profit/(loss)		**(34,143)**	**(40,378)**	**(82,671)**	**(69,871)**	**(106,590)**

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

The Shearwater Geoservices AS group		**Quarter ended**		**Year to date**		**Year ended**
(In thousands of USD)	**Notes**	**30 Sep 2026**	**30 Sep 2025**	**30 Sep 2026**	**30 Sep 2025**	**31 Dec 2025**
Net income profit/(loss)		(34,143)	(40,378)	(82,671)	(69,871)	(106,590)
Other comprehensive income						
Items which may be reclassified over profit and loss in subsequent periods						
Exchange differences on translation of foreign operations		-	(96)	-	132	125
Other comprehensive income		**-**	**(96)**	**-**	**132**	**125**
Total comprehensive income		**(34,143)**	**(40,473)**	**(82,671)**	**(69,739)**	**(106,465)**

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 2026	Quarter ended 30 Sep 2025	Year ended 31 Dec 2025
ASSETS				
Goodwill	4	3,267	3,267	3,267
Multi-Client Library	4	67,210	46,946	48,323
Intangible assets	4	7,269	9,985	9,453
Deferred tax asset	6	1,629	2,330	1,890
Total Intangible Assets		**79,375**	**62,528**	**62,934**
Vessel and marine equipment	4	718,888	799,421	777,241
Seismic equipment and other equipment	4	75,164	78,211	73,793
Right-of-use assets	4	18,381	7,674	10,864
Manufacturing equipment	4	1,891	1,699	2,001
Total Tangible Assets		**814,324**	**887,005**	**863,900**
Investments in shares		350	350	350
Total Financial Non-Current Assets		**350**	**350**	**350**
Total Non-Current Assets		**894,049**	**949,884**	**927,184**
Other current assets		75,370	54,841	54,965
Trade receivables		119,997	109,420	156,730
Other receivables		15,995	40,251	28,671
Cash and cash equivalents		79,084	80,550	64,730
Total Current Assets		**290,447**	**285,061**	**305,095**
Total Assets		**1,184,496**	**1,234,945**	**1,232,279**

(In thousands of USD)	Notes	Quarter ended 30 Sep 2026	Quarter ended 30 Sep 2025	Year ended 31 Dec 2025
EQUITY AND LIABILITIES				
Share capital		10,653	10,653	10,653
Share premium		661,226	621,190	621,190
Retained earnings		(284,547)	(168,299)	(205,098)
Total Equity		**387,332**	**463,544**	**426,745**
Deferred tax liability	6	33	757	757
Long-term debt	5	506,538	555,560	543,632
Lease liabilities	5	15,195	6,377	8,553
Total Long-Term Liabilities		**521,766**	**562,694**	**552,942**
Current portion of long-term debt	5	50,000	37,500	50,000
Short-term debt	5	20,284	19,993	12,621
Lease liabilities	5	4,265	2,241	3,612
Trade payables		99,587	92,313	90,388
Taxes payable	6	5,221	4,040	3,787
Other short-term liabilities		96,042	52,620	92,183
Total Short-Term Liabilities		**275,398**	**208,707**	**252,591**
Total Liabilities		**797,164**	**771,402**	**805,534**
Total Equity and Liabilities		**1,184,496**	**1,234,945**	**1,232,279**

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		**Quarter ended**		**Year to date**		**Year ended**
(In thousands of USD)	**Notes**	**30 Sep 2026**	**30 Sep 2025**	**30 Sep 2026**	**30 Sep 2025**	**31 Dec 2025**
Cash Flow from Operating Activities:						
Net income (loss) before taxes		(33,932)	(40,062)	(78,881)	(68,614)	(98,956)
Paid tax		219	(611)	(350)	(2,176)	(2,962)
Depreciation, amortisation and impairment	4	37,350	31,167	104,723	99,471	148,754
Profit/loss on sale of equipment and vessels	4	-	-	(7,713)	-	-
Interest income		(300)	207	(522)	(1,717)	(1,749)
Interest expenses		11,884	13,392	45,707	40,719	58,274
Interest received		300	(182)	522	1,717	1,749
Other non-cash financial items		20	10	95	822	827
Change in current assets / liabilities		(18,332)	23,291	40,165	26,247	16,513
Net Cash Flow From Operating Activities		**(2,791)**	**27,213**	**103,747**	**96,468**	**122,450**
Cash Flow from Investing Activities:						
Payments related to CAPEX	4	(9,374)	(1,800)	(25,605)	(10,868)	(13,562)
Payments for sale of equipment and vessels	4	-	-	28,630	-	-
Investment in Multi-Client Library	4	(18,693)	(4,781)	(52,922)	(27,705)	(43,341)
Net Cash Flow From Investing Activities		**(28,067)**	**(6,581)**	**(49,898)**	**(38,573)**	**(56,903)**
Cash Flow from Financing Activities:						
Capital increase	7	40,000	-	40,000	-	-
Drawdown of loans	5	-	20,000	-	35,000	35,000
Repayment of loans	5	(12,500)	-	(37,500)	(25,000)	(25,000)
Reclassification of shareholder loan to equity	5, 7	(40,000)	-	-	-	-
Repayment of financial lease		(993)	(645)	(2,913)	(2,137)	(1,758)
Transaction costs		-	-	(500)	-	-
Net Interest paid		(5,501)	(5,896)	(33,064)	(33,902)	(56,139)
Net Cash Flow From Financing Activities		**(18,994)**	**13,459**	**(33,977)**	**(26,039)**	**(47,897)**
Net Increase in Cash and Cash Equivalents		**(49,852)**	**34,090**	**19,872**	**31,857**	**17,651**
Net currency translation effects on cash and cash equivalents		(2,694)	(1,785)	(5,519)	(604)	(2,217)
Cash and cash equivalents at start of period		131,630	48,244	64,730	49,296	49,296
Cash and cash equivalents at end of period		**79,084**	**80,550**	**79,084**	**80,550**	**64,730**

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 2026

(In thousands of USD)	Note	Share capital	Share premium	Retained earnings	Total equity
Balance at 01 January 2026		**10,653**	**621,190**	**(205,098)**	**426,745**
Net income for the period		-	-	(82,671)	(82,671)
Other comprehensive income		-	-	-	-
Share capital increase	**7**	-	40,035	-	40,035
Group contribution submitted to parent [(1)]		-	-	3,274	3,274
Other changes		-	-	(52)	(52)
Total equity at 30 September 2026		**10,653**	**661,226**	**(284,547)**	**387,332**

[(1)] Reversal of unsettled group contribution from 2023 to Shearwater Geoservices Holding AS, the parent of Shearwater Geoservices AS.

For the nine months ended 30 September 2025

(In thousands of USD)	Note	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 year ended 31 December 2025

(In thousands of USD)	Note	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 year		-	-	(106,590)	(106,590)
Other comprehensive income		-	-	125	125
Other changes		-	-	(83)	(83)
Total equity at 31 December 2025		**10,653**	**621,190**	**(205,098)**	**426,745**

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 company 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 acquisition 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 2026 have been prepared in accordance with IFRS® Accounting Standards as adopted by the EU and the IFRSs as issued by the International Accounting Standards Board (IASB), including IAS 34.

These interim financial statements were authorised for issue by the Company's Board of Directors on 26 November 2026.

The interim financial statements have been prepared on a going concern basis.

These interim financial statements are unaudited.

Taxes are calculated based on profit or loss for each individual entity based on local tax regulations. Project mix, local profits and tax positions and fluctuations in exchange rates impact the tax expense and taxes payable 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 2025, 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. Significant estimates, judgments and assumptions, including key sources of estimation uncertainty, made by management in applying the Group's accounting policies were the same as those described in the last annual financial statements, unless stated otherwise in these interim financial statements.

NOTE 2: REVENUE AND SEGMENT INFORMATION

2.1: Segment information

The Chief Executive Officer, the Chief Financial Officer and the Chief Operations 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.

Segment information is presented on the basis of external revenue and expenses only.

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 a fleet of high-end vessels, Shearwater is offering seismic services on a worldwide basis. For this segment the product is the delivery of high-quality unprocessed seismic data.

Multi-Client

Multi-Client manages converted contracts and traditional multi-client projects. Generally, a converted contract is a survey executed in multi-client mode with most of the funding coming from one client or client group and generally with limited late sales exposure, resulting in project economics comparable to proprietary contract surveys. Traditional multi client generally focus on investment in a data library that is later sold 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 or rights to 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 (SPI)

The Group processes and re-processes both land and marine seismic data by combining the latest processing software and techniques with experienced geophysicists and efficient hardware. Our onboard 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.*

(In thousands of USD)	Quarter ended 30 September 2026					Quarter ended 30 September 2025				
	Marine Acquisition	Multi-Client	Software, Processing & Imaging	Other	Total	Marine Acquisition	Multi-Client	Software, Processing & Imaging	Other	Total
Income statement										
Total operating revenue and other income *	54,106	36,099	8,287	8,537	107,030	126,069	11,914	8,431	82	146,496
Cost of sales	66,269	-	8,387	10,470	85,126	127,674	-	7,182	(3,068)	131,789
Sales, general and administration cost	-	-	-	7,245	7,245	-	-	-	9,514	9,514
**EBITDA ** **	**(12,163)**	**36,099**	**(99)**	**(9,178)**	**14,659**	**(1,606)**	**11,914**	**1,249**	**(6,364)**	**5,192**
Depreciation, amortisation and impairment					37,350					31,167
Other losses (gains) net					(1,105)					(1,513)
Operating profit EBIT					**(21,585)**					**(24,462)**
Financial income					300					(207)
Financial expense					12,646					15,393
Income tax expense					212					316
Net Income					**(34,143)**					**(40,378)**

(In thousands of USD)	Year to date 30 September 2026					Year to date 30 September 2025				
	Marine Acquisition	Multi-Client	Software, Processing & Imaging	Other	Total	Marine Acquisition	Multi-Client	Software, Processing & Imaging	Other	Total
Income statement										
Total operating revenue and other income *	255,241	80,701	22,567	17,862	376,370	418,279	27,158	22,091	2,220	469,749
Cost of sales	238,544	-	21,482	15,264	275,289	343,473	-	18,873	9,603	371,950
Sales, general and administration cost	-	-	-	28,085	28,085	-	-	-	22,643	22,643
**EBITDA ** **	**16,697**	**80,701**	**1,084**	**(25,487)**	**72,995**	**74,806**	**27,158**	**3,218**	**(30,026)**	**75,156**
Depreciation, amortisation and impairment					104,723					99,471
Other losses (gains) net					374					637
Operating profit EBIT					**(32,102)**					**(24,952)**
Financial income					522					1,717
Financial expense					47,301					45,379
Income tax expense					3,790					1,257
Net Income					**(82,671)**					**(69,871)**

(In thousands of USD)	Year ended 31 December 2025				
	Marine Acquisition	**Multi-Client**	**Software, Processing & Imaging**	**Other segments**	**Total**
Income statement					
Total operating revenue and other income *	515,962	75,984	29,703	16,951	638,600
Cost of sales	430,057	-	25,775	26,724	482,556
Sales, general and administration cost	-	-	-	36,797	36,797
**EBITDA ** **	**85,905**	**75,984**	**3,927**	**(46,569)**	**119,247**
Depreciation, amortisation and impairment					148,754
Other losses (gains) net					10,506
Operating profit EBIT					**(40,013)**
Financial income					1,806
Financial expense					60,750
Income tax expense					7,634
Net Income					**(106,590)**

2.2: Revenue from contracts with customers

	Quarter ended		Year to date		Year ended
(In thousands of USD)	30 Sep 2026	30 Sep 2025	30 Sep 2026	30 Sep 2025	31 Dec 2025
Product and service lines					
Marine Acquisition	54,106	126,069	255,241	418,279	515,962
Multi-Client	36,099	11,914	80,701	27,158	75,984
Software, Processing & Imaging	8,287	8,431	22,567	22,091	29,703
Revenue from contract with customers	**98,493**	**146,414**	**358,508**	**467,529**	**621,649**
Other income Marine Acquisition	-	-	7,713	-	-
Other income	8,537	82	10,149	2,220	16,951
Total	**107,030**	**146,496**	**376,370**	**469,749**	**638,600**
Timing of revenue recognition					
Point in time	42,963	13,527	90,406	28,772	77,848
Services transferred over time	55,529	132,886	268,103	438,757	543,801
Total revenue from contract with customers	**98,493**	**146,414**	**358,508**	**467,529**	**621,649**
Net operating revenue by geography					
Europe, Africa and Middle East - EAME	41,800	61,799	96,798	162,067	231,997
Asia / Pacific - APAC	22,779	2,988	139,431	80,625	107,533
North and South America - NSA	42,451	81,710	140,141	227,056	299,071
Total	**107,030**	**146,496**	**376,370**	**469,749**	**638,600**

NOTE 3: SPECIFICATION COST OF SALES

	Quarter ended		Year to date		Year ended
(In thousands of USD)	30 Sep 2026	30 Sep 2025	30 Sep 2026	30 Sep 2025	31 Dec 2025
Vessel operating cost	66,269	127,674	238,544	343,473	430,057
Software, Processing & Imaging cost	8,387	7,182	21,482	18,873	25,775
Other segments	10,470	(3,068)	15,264	9,603	26,724
Total Cost of Sales*	**85,126**	**131,789**	**275,289**	**371,950**	**482,556**

**Cost of Sales is excluding depreciation*

NOTE 4: INTANGIBLE AND TANGIBLE NON-CURRENT ASSETS

Impairment indicator

At 31 December 2025, an external impairment indicator was identified for the Group's seismic vessel fleet and related equipment, including goodwill. Based on developments during the period, management concluded that the indicator was no longer present at 30 September 2026; accordingly, no impairment test was performed.

NOTE 4.1: Intangible assets

(In thousands of USD)	Goodwill	Multi-client library	Patents and software	Total
Cost:				
Acquisition cost at 01 January 2026	3,267	76,987	30,816	111,069
Additional capital expenditures	-	58,507	82	58,589
Acquisition cost at 30 September 2026	**3,267**	**135,493**	**30,898**	**169,658**
Accumulated amortisation:				
Balance at 01 January 2026	-	28,663	21,362	50,025
Straight-line amortisation	-	14,096	2,266	16,362
Accelerated amortisation	-	25,524	-	25,524
Accumulated amortisation at 30 September 2026	**-**	**68,284**	**23,628**	**91,912**
Carrying amount at 30 September 2026	**3,267**	**67,210**	**7,269**	**77,747**
Estimated useful lifetime		*4 years**	*10 years*	

*For most marine projects the expected useful life is four years, unless facts indicate that the economic life of the particular library is shorter.

NOTE 4.2: Tangible 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 2026	1,253,042	393,578	13,283	29,872	14,022	1,703,797
Additional capital expenditures	10,016	15,580	26	10,432	160	36,214
Sale of equipment	(29,019)	-	-	-	-	(29,019)
Acquisition cost at 30 September 2026	**1,234,039**	**409,158**	**13,309**	**40,304**	**14,182**	**1,710,992**
Accumulated depreciation:						
Balance at 01 January 2026	475,800	325,522	7,546	19,008	12,020	839,896
Depreciation	34,609	15,172	685	2,915	271	53,652
Depreciation periodical maintenance	13,088	-	-	-	-	13,088
Impairment	-	(283)	-	-	-	(283)
Less disposals during the period	(8,346)	(1,339)	-	-	-	(9,685)
Accumulated depreciation at 30 September 2026	**515,151**	**339,072**	**8,231**	**21,923**	**12,291**	**896,668**
Carrying amount at 30 September 2026	**718,888**	**70,086**	**5,078**	**18,381**	**1,891**	**814,324**
Estimated useful lifetime	*30 years*	*3 to 7 years*	*3 to 5 years*	*1 to 5 years*	*3 to 7 years*	

Change in estimate - useful life of seismic vessels

With effect from 1 January 2026, the Group reassessed the estimated useful lives of its seismic vessels and revised the useful life from 25 to 30 years. The change is accounted for as a change in accounting estimate in accordance with IAS 8 and IAS 16 and is applied prospectively. The impact of the change is a reduction in depreciation expense of USD 18 million for the period 1 January 2026 - 30 September 2026.

NOTE 5: INTEREST-BEARING DEBT

The Group's interest-bearing debt and liabilities, including first year's instalments, are summarised as follows:

(In thousands of USD)	30 Sep 2026	30 Sep 2025	31 Dec 2025
Senior secure bank facility, USD SOFR 3M + 4.1%, due 2029	212,500	250,000	250,000
Senior secure Bond, 9.5%, due 2029	300,000	300,000	300,000
Revolving credit facility, USD SOFR 3M + 4.1%	50,000	50,000	50,000
Amortisation effect, mortgage debt	(5,962)	(6,940)	(6,368)
Accrued interest expenses	20,284	19,993	12,621
Total secured interest-bearing debt/ liabilities	**576,821**	**613,053**	**606,253**
Unsecured:			
Lease liabilities, due 2026-2030	19,460	8,618	12,165
Total unsecured interest-bearing debt/ liabilities	**19,460**	**8,618**	**12,165**
Total interest-bearing debt/ liabilities	**596,281**	**621,671**	**618,418**
Classification in the statement of financial position:			
Long-term debt	506,538	555,560	543,632
Long-term lease liabilities	15,195	6,377	8,553
Current portion of long-term debt	50,000	37,500	50,000
Short-term debt	20,284	19,993	12,621
Short-term lease liabilities	4,265	2,241	3,612
Total interest-bearing liabilities	**596,281**	**621,671**	**618,418**

Shearwater's external debt consists of a USD 300 million bank facility (USD 213 million outstanding at 30 September 2026) carrying an interest rate of SOFR + 4.1% margin, and a USD 300 million bond with fixed 9.5% interest rate, both with a five year term and secured in a pari passu structure. The structure also include a super-senior secured USD 50 million revolving credit facility (RCF) and a super-senior secured USD 50 million guarantee facility. At 30 September 2026, the RCF was fully drawn. The revolving credit facility is presented as long-term debt in the statement of financial position.

Compliance with loan covenants

The Group's long-term financing agreements are subject to covenants. The covenants apply to the consolidated Shearwater Geoservices AS group.

As at 30 September 2026, the Group's most important covenants were:

Bond facility	Bank facility
Free liquidity: Minimum USD 30 million	Free liquidity (including undrawn revolving credit facility) incl. certain customer receivables from tier-one clients: Minimum USD 40 million, from Q3 2026 and until maturity of the facility minimum USD 30 million
Equity ratio: Minimum 30%	Equity ratio: Minimum 30%
Working capital: Must be positive at all times	Working capital: Must be positive at all times

At 30 September 2026, Shearwater was in compliance with all financial covenants.

NOTE 6: TAXES

	Quarter ended		Year to date		Year ended
(In thousands of USD)	**30 Sep 2026**	**30 Sep 2025**	**30 Sep 2026**	**30 Sep 2025**	**31 Dec 2025**
Tax payable	212	316	3,790	1,257	8,313
Change in deferred tax	-	-	-	-	(679)
Income tax expense (income)	**212**	**316**	**3,790**	**1,257**	**7,634**

NOTE 7: RELATED PARTIES

Debt to shareholder: At the start of the quarter, Shearwater Geoservices AS had a shareholder loan of USD 40 million from Shearwater Geoservices Holding AS. The loan was converted to equity in the third quarter of 2026.

NOTE 8: 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.

		Quarter ended		Year to date		Year ended
(In thousands of USD)	**Notes**	**30 Sep 2026**	**30 Sep 2025**	**30 Sep 2026**	**30 Sep 2025**	**31 Dec 2025**
Total revenue and other income	2	107,030	146,496	376,370	469,749	638,600
Cost of sales	3	85,126	131,789	275,289	371,950	482,556
Sales, general and administration cost		7,245	9,514	28,085	22,643	36,797
EBITDA		**14,659**	**5,192**	**72,995**	**75,156**	**119,247**
EBITDA ratio (EBITDA / Total revenue and other income)		*14 %*	*4 %*	*19 %*	*16 %*	*19 %*

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.

	Quarter ended		Year to date		Year ended
(In thousands of USD)	30 Sep 2026	30 Sep 2025	30 Sep 2026	30 Sep 2025	31 Dec 2025
Net cash flow from operating activities	(2,791)	27,213	103,747	96,468	122,450
Net cash flow from investing activities	(28,067)	(6,581)	(49,898)	(38,573)	(56,903)
Adjusted for M&A transactions	-	-	(28,630)	-	-
Adjusted for leasing payments	(993)	(645)	(2,913)	(2,137)	(1,758)
Free cash flow	**(31,851)**	**19,986**	**22,307**	**55,759**	**63,789**

Net interest-bearing debt (NIBD)

Definition

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

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 2026	30 Sep 2025	31 Dec 2025
Borrowings	576,821	613,053	606,253
Financial leases	19,460	8,618	12,165
Interest-bearing debt	**596,281**	**621,671**	**618,418**
Cash and Cash equivalents	79,084	80,550	64,730
Net interest-bearing debt	**517,197**	**541,121**	**553,688**

Backlog and future coverage

Definition

Shearwater's backlog represents future revenue from signed contracts and binding letters of award at the reporting date, and may include commitments for unannounced multi-client surveys. From the third quarter of 2026, SPI commitments are included in the backlog. Backlog figures from earlier periods are not restated.

Rationale

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

(In thousands of USD)	30 Sep 2026	30 Sep 2025	31 Dec 2025
Total backlog	**755,095**	**412,509**	**316,345**

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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Andreas Hveding Aubert
Chief Financial Officer

Peter Hooper
Chief Operations Officer

Simon Telfer
Chief Technology Officer

Tanya Herwanger
SVP Multi-client & Business Development

Philippa Box
SVP People & Culture

Gunnvor Dyrdi Remøy
General Counsel

Financial calendar

Q4 2026
26 Feb 2027

Q1 2027
26 May 2027

Q2 2027
31 Aug 2027

Q3 2027
26 Nov 2027

Shearwater reserves the right to make changes to the financial calendar

Investor Relation Contact

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shearwater