

Everything within Reach

Quarterly Consolidated Report

Sustainable access to ocean space



About Reach Subsea



Reach Subsea ASA is listed on the Euronext Oslo Stock Exchange under the ticker REACH. The Reach Subsea Group business concept is to offer high quality solutions and technology to clients in need of ocean data and services.

Our services are delivered through a fleet of vessels, supported by offices in Norway, Sweden, the UK, the US, Brazil, Cyprus, Trinidad, Australia, and Singapore. We currently employ close to 500 people across both offshore and onshore locations.

The company operates a wide range of work and survey ROVs from its fleet of vessels, ranging from smaller survey, IMR, and light construction vessels to high-capacity subsea construction vessels. Operations are performed by highly qualified offshore personnel and supported by competent onshore engineering resources.

The Group's objective is to offer high quality solutions and technology to clients in need of ocean data and services.

Our vision, 'Sustainable access to ocean space,' underpins our commitment to developing sustainable solutions while carefully balancing the interests of all our stakeholder groups.

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Highlights

Another record year in terms of activity and operating results driven by strong market conditions and solid project execution.

EBIT for Q4 in line with last year, with lack of progress partly explained by projects and associated profits moving into Q1 2025.

Solid outlook with a backlog of NOK 1.2 billion that has higher inherent margins than backlog last year, and a strong prospect list for the rest of 2025.

The Board will propose a dividend per share of NOK 0.42, in line with the stated dividend policy.

Key figures

	Q4 2024	Q4 2023	12M 2024	12M 2023
	UNAUDITED			AUDITED
Revenue (NOKm)	685	474	2 718	1 996*
EBIT (NOKm)	80	80	364	332
Pre-tax profit (NOKm)	13	81	230	290
Cash and cash equivalents (NOKm)	278	436	278	436
Net working capital (NOKm)	136	(105)	136	(105)
Net interest bearing debt excl IFRS 16 leases (NOKm)	(133)	(369)	(133)	(369)
Net interest bearing debt incl IFRS 16 leases (NOKm)	1 279	823	1 279	823
Equity (NOKm)	1 092	928	1 092	928
Order backlog (NOKm)	1 200	1 200**	1 200	1 600***
Outstanding tender value (NOKbn)	9.0	8.0**	9.0	10.0***
Number of ROV days sold	683	659	2 757	2 942
Number of ROV days available	1 019	1 012	3 924	4 506
Technical uptime on ROVs	99 %	99 %	99 %	99 %
Number of offshore personnel days sold	11 443	8 709	44 556	29 849
LTIs	0	1	0	1
Number of vessel days sold	586	444	2 315	1 759

* Revenue, EBIT and pre-tax profit for 2023 include a gain on asset disposal of NOK 30 million.

** Reported in Reach Subsea ASA consolidated report for 4Q2023. *** Reported in Reach Subsea ASA Annual Report for 2023.

CEO Letter



As we close out 2024, I am pleased to share our fourth-quarter report, marking a year of significant progress for Reach Subsea.

Our focus on profitable growth, operational excellence, and technological innovation has positioned us strongly for the future.

This year has been one of steady growth and significant milestones for Reach Subsea. Our core services—IMR, Construction, Survey, and Monitoring—have remained in high demand, driving strong utilization across our fleet. Our operational efficiency, combined with the development of relevant innovative tools and a growing order backlog, confirms that our strategy is working.

A key highlight of 2024 has been the realization of our Reach Remote vision. With Reach Remote 1 and 2 preparing for full-scale operations, we are at the forefront of transforming subsea services through remote technology.

The industry response has been encouraging, with major energy companies and partners backing our approach. As we move into 2025, the focus shifts to demonstrating real-world efficiency gains and scaling up our remote service capabilities.

As we enter 2025, we do so with a profitable order backlog. Our tender activity remains high, reflecting strong market interest in our services.

Beyond technology and financial performance, safety remains our top priority. I am pleased to report that we have maintained our record of zero work-related lost time injuries, a testament to the dedication and culture of safety within our teams.

Looking ahead, 2025 will be about execution. We will focus on delivering on our commitments, expanding our service offerings, and ensuring that our innovations translate into value for our clients, as well as our shareholders.

The market is evolving, and we are well-positioned to lead this transition.

As always, our success is driven by the people at Reach Subsea. Thank you for your hard work, dedication, and belief in: Sustainable Access to Ocean Space.

We believe that “Everything is within REACH.”

A handwritten signature in black ink, appearing to read 'J. Alendal', written in a cursive style.

Jostein Alendal
CEO, Reach Subsea ASA

Our vision

‘Sustainable access to ocean space’ underpins our commitment to take part in the creation of a sustainable future.

Our values



LEARN

We are in constant search for new and relevant insight making us agile and difficult to keep up with.

- We question and challenge established ways of performance.
- We acquire and develop technology to constantly improve data acquisition, analysis and operations.
- We evaluate and improve methods to put our ever increasing knowledge into action.



TEACH

We share our knowledge to grow as a team and to improve industry standards.

- We continuously strive to find solutions beyond current paradigms to work out and implement best practice in our field.
- We share knowledge in-house, to grow as a team.
- We use our knowledge to succeed in alignment with our clients and enable industry improvements.



REACH

We have ambitions and we believe that everything is within reach.

- We constantly reach for improvements as our knowledge and capabilities now, are not the endpoint.
- We have great ambitions. By investing in R&D, driving technological leaps and methodological improvements, we reach for new heights.
- We continuously seek for better solutions, because no matter how good we get, there is always something better ahead of us – so we reach for it.

Meet the management team



Jostein Alendal

Chief Executive Officer

Jostein Alendal is the founder of Reach Subsea and has been the company's Business Development manager and CEO since 2008. Education: Automation Engineer. Experience: Technical Manager and co-founder of DeepOcean with group responsibility of all ROV operations. Stolt Comex Seaway AS, Seateam AS and DSND.

31 years in subsea



Bård Thuen Høgheim

Chief Commercial Officer

Bård Høgheim has been CCO in Reach Subsea since 2014. Education: Master in Finance from Imperial College Business School. Experience: Project Broker in the subsea and renewables market in RS Platou and has experience in offshore industry analysis.

17 years in subsea



Birgitte W. Johansen

Chief Financial Officer

Birgitte W. Johansen has been CFO in Reach Subsea since 2012. Education: The Blue MBA and Master of Business and Economics. Experience: Account Manager in BNP Paribas, Shipping department. Analyst and Project Manager in Oceanlink Management. Relationship Manager in SpareBank 1 SRBank, Energy and Maritime department.

25 years in finance



Inge Grutle

Chief Operations Officer

Inge Grutle has been COO in Reach Subsea since 2012. Education: Master of Science degree in Marine and Subsea Technology. Experience: IMR Engineering Manager and Business Development in DeepOcean and has experience in planning and execution of offshore and subsea operations.

17 years in subsea



Audun Brandtzæg

Chief Technology Officer

Audun Brandtzæg has been CTO in Reach Subsea since 2023. Education: Civil Engineer / Surveyor. Experience: Offshore / Senior Surveyor, Reporting Manager Stolt Comex Seaway, Head of Survey DeepOcean, Asset Manager / Project Manager / Survey responsible Gassco, Pool Director JV MMT / Reach, Global Operation Director Ocean Infinity.

34 years in subsea

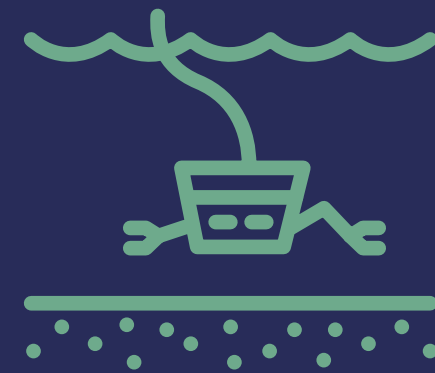
Directors Report

The Reach Subsea Group's business concept is to offer high quality solutions and technology to clients in need of ocean data and services.



Our services

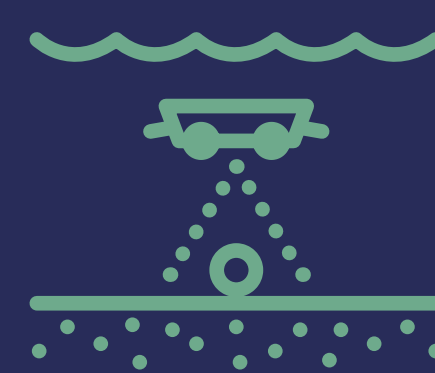
At Reach Subsea, we offer a comprehensive range of offshore services designed to support the full lifecycle of subsea assets. With cutting-edge technology, a highly skilled team, and a strong focus on efficiency and innovation, we provide reliable solutions across inspection, maintenance, repair, construction, survey, and monitoring. By combining experience, technology, and a commitment to excellence, we help our clients optimize their offshore operations safely and cost-effectively.



IMR & Construction

The Reach Subsea Vessel fleet offers a diverse array of capabilities, ranging from heavy construction and decommissioning services to specialized inspection, maintenance, and repair operations.

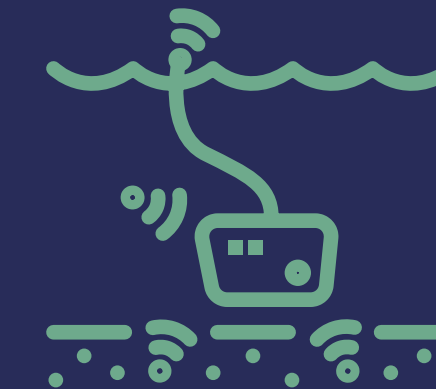
Our reliable and proficient ROV fleet, coupled with the extensive experience and expertise within our organization, consistently demonstrates that no task is too small or too large. We are here to be a reliable partner for our clients, supporting them throughout the entire lifecycle of all types of assets in the ocean space.



Survey

Reach Subsea provides cost-efficient high-end seabed mapping and pipeline inspection survey services.

Reach Subsea has further developed our survey capability and we deliver high end survey services on a global basis. These services include reconnaissance and detailed seabed mapping for typical Oil and Gas and Offshore Windfarm development projects as well as detailed inspection of subsea assets. The survey services are mostly ROV based and performed from our advanced fleet of traditional vessels with dedicated survey ROVs as well as from our unmanned survey platforms. We have developed remote services and are increasingly executing projects remotely.



Monitoring

Reach Subsea provides innovative services for hydrocarbon production, CCS projects and environmental monitoring.

By using passive methods, we can offer data to allow efficient reservoir management and field development strategy, in a cost-effective manner, and with a minimal environmental footprint. We help clients to understand reserve depletion, target untapped reserves, increase hydrocarbon recovery, optimize top-side infrastructure, monitor injection plume, reduce uncertainties in CO2 density and storage capacity, detect leakage, and confirm long-term containment.

Services delivered during Q4

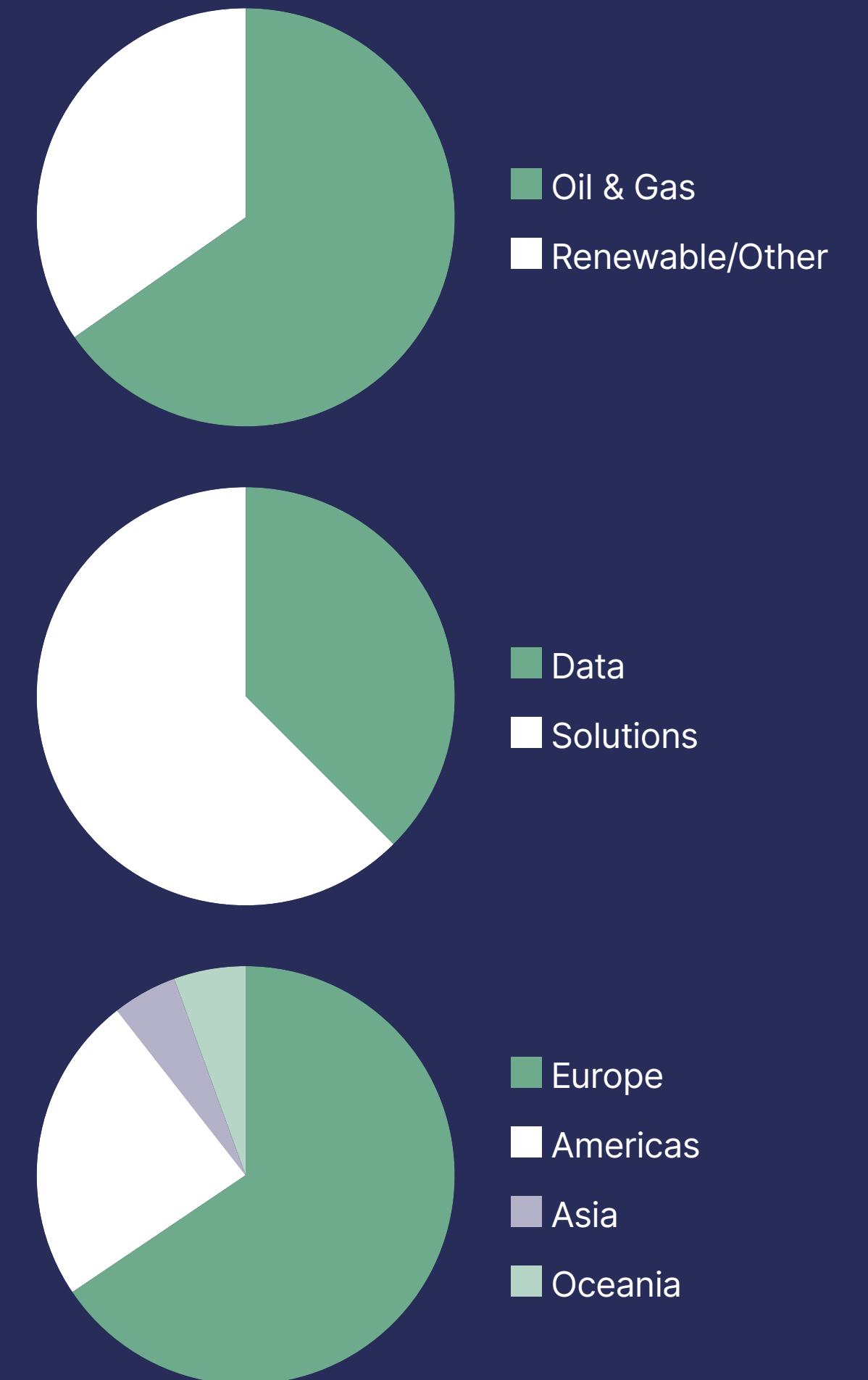


Figures for the same period last year are presented in brackets in the text.

REACH Subsea ASA Group (“Reach”) operates and markets by quarter end eight subsea spreads + 2 USV spreads. In addition, Reach delivers survey, positioning, and monitoring services onboard a number of vessels and platforms.

Reach Subsea had another active quarter, delivering a diverse range of services across its three key segments: IMR/Construction, Survey, and Monitoring. Approximately one third of the revenue in Q4 has come from projects in the Renewable/Other sector, and two thirds from Oil and Gas related projects. These projects have a widespread geographical distribution with operations both in Europe, Americas, Asia and Oceania in Q4.

The number of vessel days that passed through our P&L in Q4 2024 was 586 (444) with a 83 % utilisation (85 %). For the full year of 2024 the number of vessel days that passed through our P&L amounted to 2,315 (1,759) with a 92 % utilisation (92 %). REACH had per quarter end 11 WROV-systems and two “Surveyor Interceptor” systems available for subsea operations, in addition to a pool of high quality survey and monitoring assets and equipment.

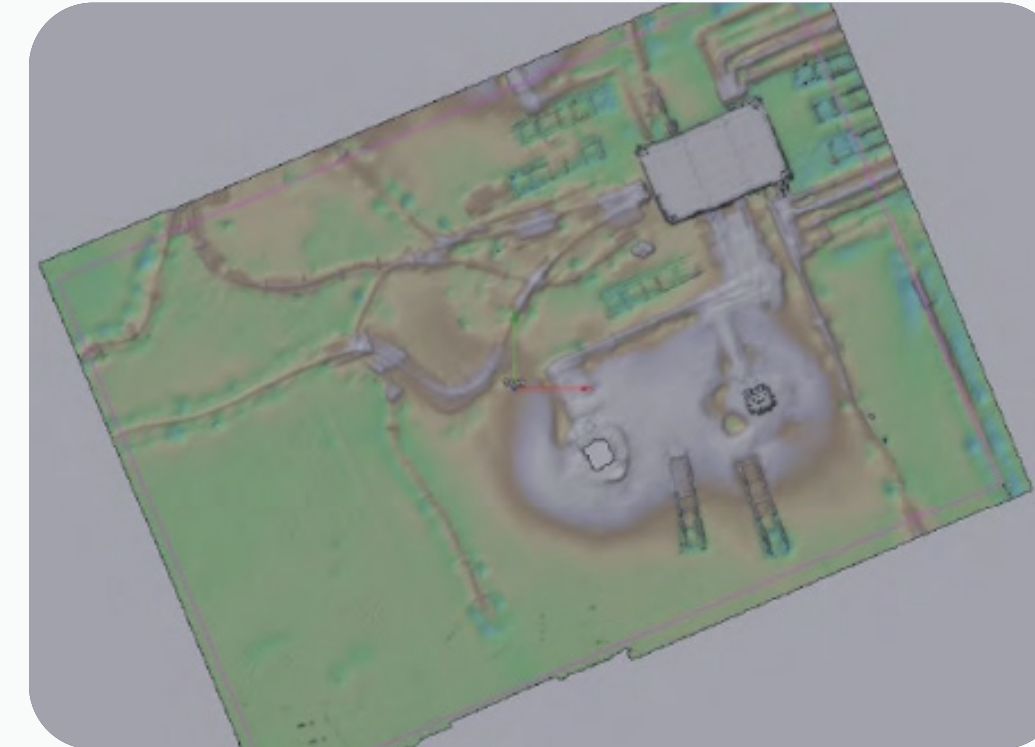


Dana Q4 ROVSV Campaign

Reach Subsea was awarded the contract by Dana Petroleum Ltd as part of their ongoing integrity management of the Triton FPSO and its associated subsea infrastructure.

Reach Subsea provided vessel based ROV inspection and survey services with support from specialist 3rd party contractors.

- Spool piece cleaning with ROV operated tooling
- Wall thickness scanning utilizing a Sonomatic "Stingray" tool
- Riser bend stiffener CP Survey
- Triton FPSO Seachest cleaning and Voyis dimensional control imaging
- Pipeline route MBES grid survey
- Spool route Digiquartz depth measurements
- GVI Inspections
- HTML based reporting delivery



Vessel
Olympic Taurus

Client
Dana Petroleum Ltd

Location
Triton FPSO

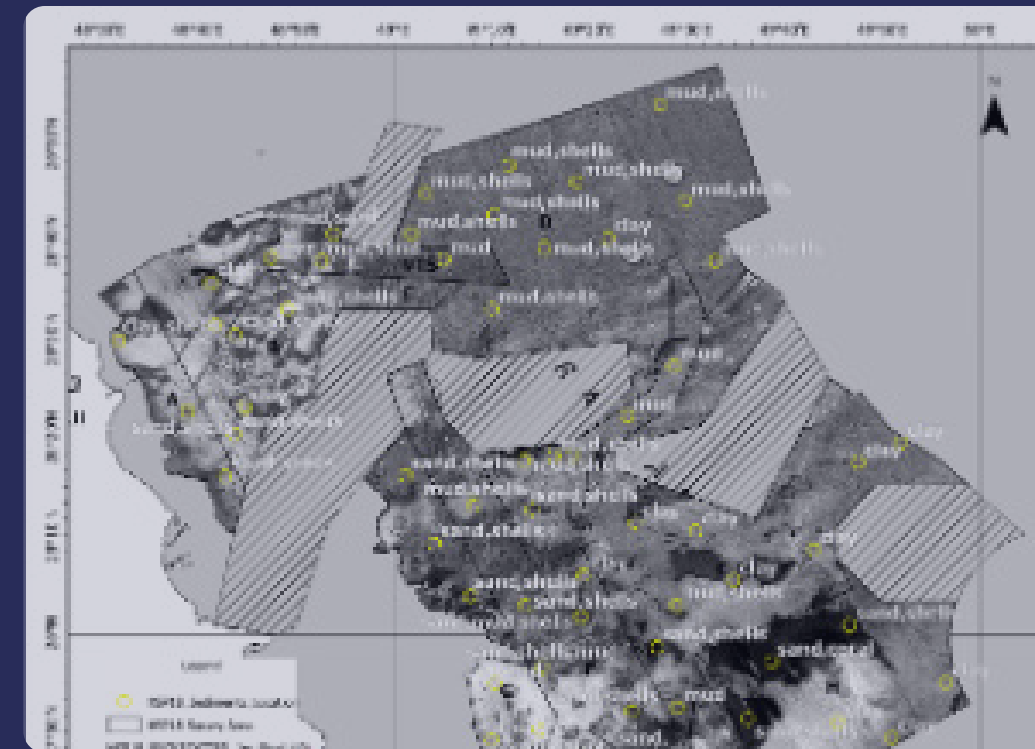
Period
November 2024

Water Depth
~95m



Technology development

Reach Subsea is a leader in technology development and application of innovative methods for our IMR, survey, and monitoring services in the offshore industry. The company has a highly skilled and interdisciplinary team of scientists and engineers with expertise and excellence in physics, geoscience, modelling, data analysis, sensors, instrument design, communication, and software development.



Geomorphology Mapping

Reach Subsea has developed the ability to acquire, process and map multibeam data to provide seamless backscatter maps of the seafloor.

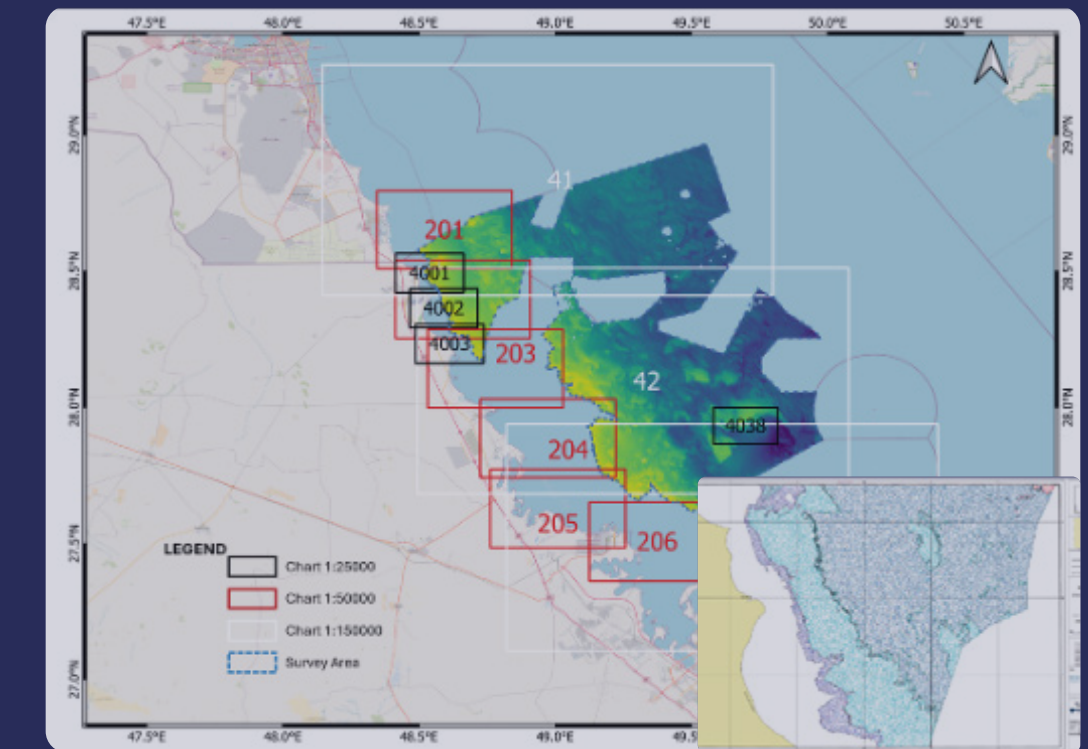
This enables our team to ground-truth and produce classified maps of seafloor composition. This provides an economic benefit to the client for mineral or construction material extraction, habitat mapping, safe anchoring, fisheries production, cable and infrastructure installation.



DRiX USV for Hydrographic Services

Reach Subsea owns and operates 2 DRiX USV for seafloor mapping.

The systems just completed a major project in Saudi Arabia, surveying more than 70,000 line km of acquisition for nautical charting in the Gulf or Arabia. We demonstrated to the Saudi Government and Aramco the benefits of working with uncrewed vessels in parallel to field operations. Reach has 2 DRiX USV's equipped with both multibeam and sub bottom profilers, INS, Starlink and human machine interfaces.



Nautical Chart Production Services

Reach Subsea has developed processing, QC and reporting services to produce Nautical charts to S57 standards.

We recently delivered a series of charts to the Saudi Government to replace charts from the 1970's produced by the UKHO. This service capability demonstrates Reach commitment to not only acquiring data but turning it into actionable data; in this case nautical charts.

Chartered vessels and assets


[View online](#)

Viking Reach

Survey, IMR and Light Construction Vessel

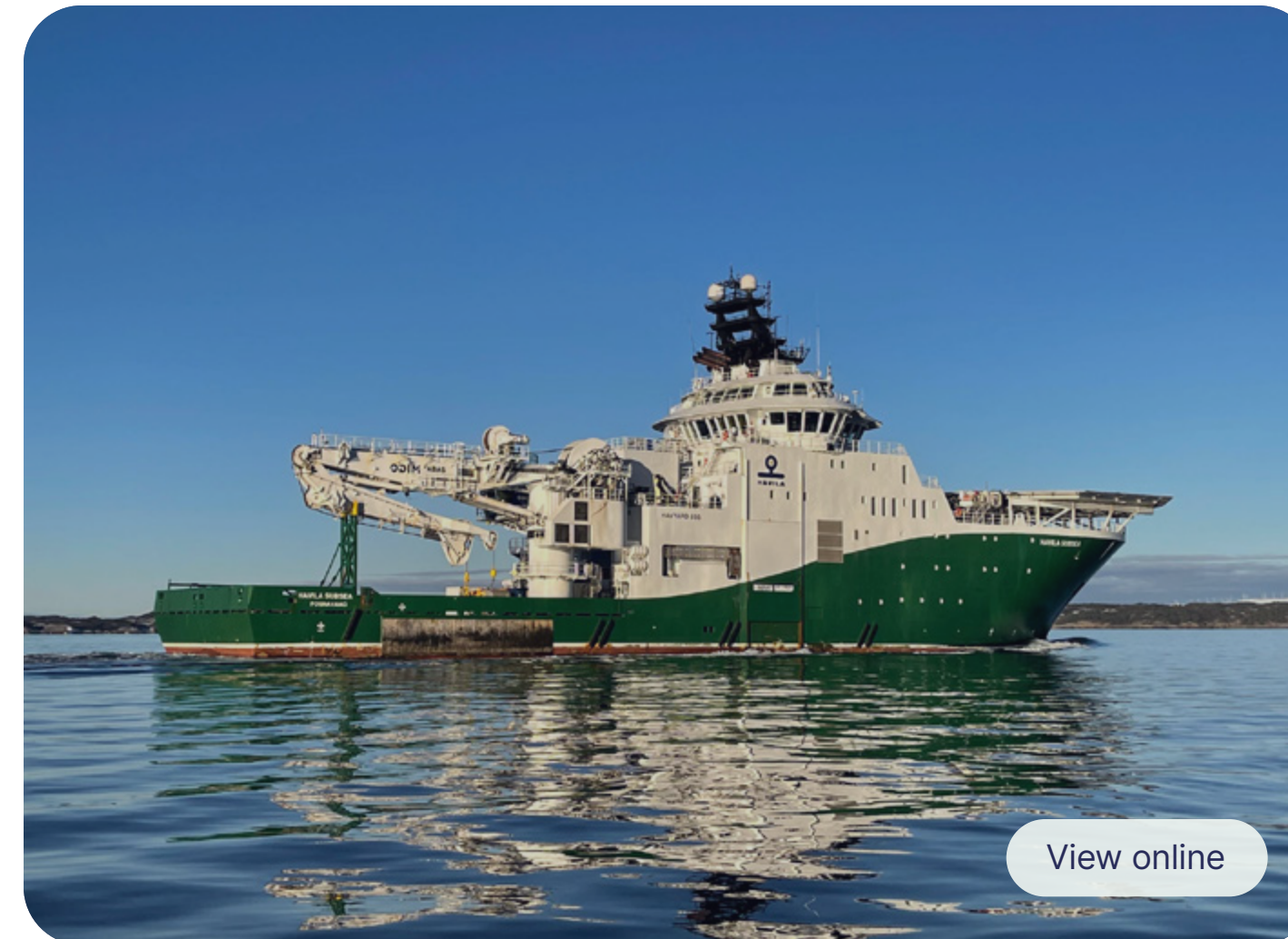
Charter period: April 2023 - April 2029. 3-year option.

Vessel owner: Eidesvik Offshore ASA (50.1 %)
 Reach Subsea ASA (49.9 %)

Crane: 70 ton

Assets: 1 Supporter WROV, 1 Surveyor Interceptor ROV,
 survey equipment

Q424 status: Scheduled yard stay, followed by survey
 operations in the Black Sea.


[View online](#)

Havila Subsea

Survey, IMR and Light Construction Vessel

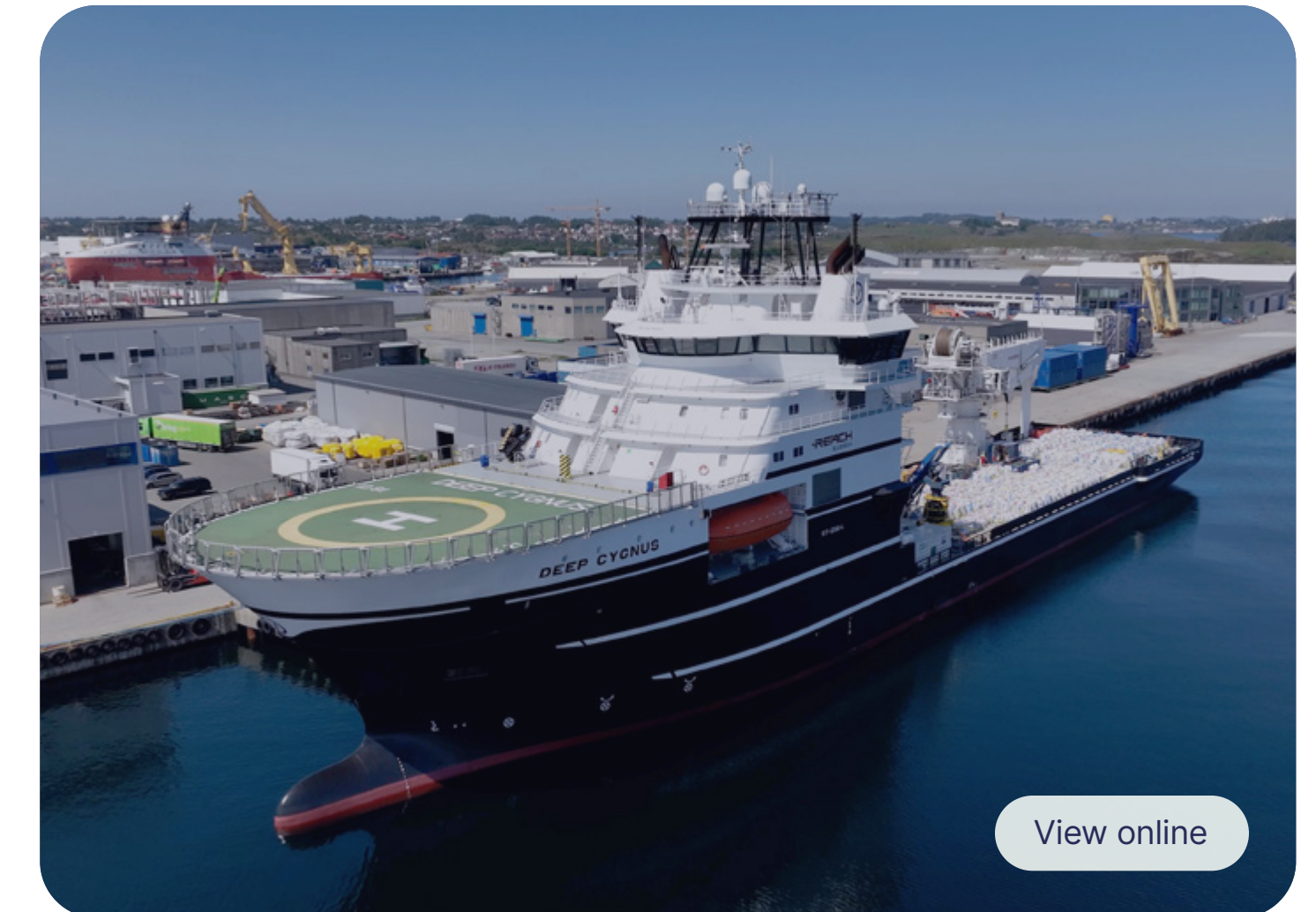
Charter period: June 2024 - June 2027. 2-year option.

Vessel owner: Havila Shipping ASA

Crane: 150 ton

Assets: 2 x Schilling HD WROV, survey equipment

Q424 status: Ocean Bottom Node Operations for PX Geo in Gulf
 of Mexico continuously throughout the quarter.


[View online](#)

Deep Cygnus

Construction Vessel

Charter period: April 2023 - April 2027. 1-year option.

Vessel owner: Volstad Maritime AS

Crane: 150 ton

Assets: 1 Supporter WROV, survey equipment

Q424 status: ROV and Survey services for Nexan's cable
 installation project Revolution Wind.

Chartered vessels and assets



Go Electra

Survey, IMR and Light Construction Vessel

Charter period: March 2023 - March 2027. 2 year option.

Vessel owner: Go Offshore Pty Ltd.

Crane: 25 ton

Assets: 1 x Supporter WROV, survey equipment

Q424 status: IMR and Survey scopes in the North Sea and Venezuela/Trinidad.



Olympic Triton

IMR and Light Construction Vessel

Charter period: February 2023 - February 2026. 2-year option.

Vessel owner: Olympic Subsea ASA

Crane: 150 ton

Assets: 2 x WROV Constructor and Supporter, survey equipment

Q424 status: IMR and construction support in the North Sea for parts of the quarter, with parts of the quarter being idle.



Northern Maria

Survey and IMR vessel

Charter period: April 2024 - April 2027. 1-year option.

Vessel owner: Northern Survey Aps

Crane: 20 ton

Assets: Survey equipment

Q424 status: Chartered to Bluestream for subsea inspection work.

Chartered vessels and assets


[View online](#)

Olympic Taurus

IMR and Light Construction Vessel

Charter period: April 2024 - April 2026. 2-year option.

Vessel owner: Olympic Subsea ASA

Crane: 150 ton

Assets: 2 x WROV Constructors, survey equipment

Q424 status: IMR operations in the North Sea throughout November, with the rest of the quarter idle.


[View online](#)

Offshore Surveyor

Survey Vessel

Charter period: June 2024 - June 2027. 2-year option.

Vessel owner: Guardian Offshore AU

Crane: None

Assets: Survey equipment

Q424 status: Hydrographic mapping for Australian authorities, two week yard stay, followed by Offshore Wind Farm work in Australia.


[View online](#)

Newbuild

IMR and Light Construction Vessel

Charter period: 2026 →

Vessel owner: Eidesvik Agalas AS

Crane: 150 ton

Assets: Will be mobilized with state-of-the-art WROVs and survey equipment.

Q424 status: Under construction

Remote vessels


[View online](#)

Reach Remote 1 & 2

Setting new standards, Reach Remote introduces Norway's pioneering fleet of uncrewed 24-meter surface vessels (USVs), featuring hull-mounted survey sensors and a Work Class Electric ROV.

Scheduled for deployment under the Norwegian Flag, these vessels are poised to revolutionize offshore subsea operations, aligning with sustainability initiatives. Reach Remote offers secure, eco-friendly, and cost-effective solutions for global subsea inspection, survey, and intervention services. This ground breaking project integrates Uncrewed Surface Vessels (USVs) with Remotely Operated Vehicles (ROVs), paving the way for advancements in remote maritime technologies and marking a significant milestone in global maritime operations.

Pilot program Joint Industry Project

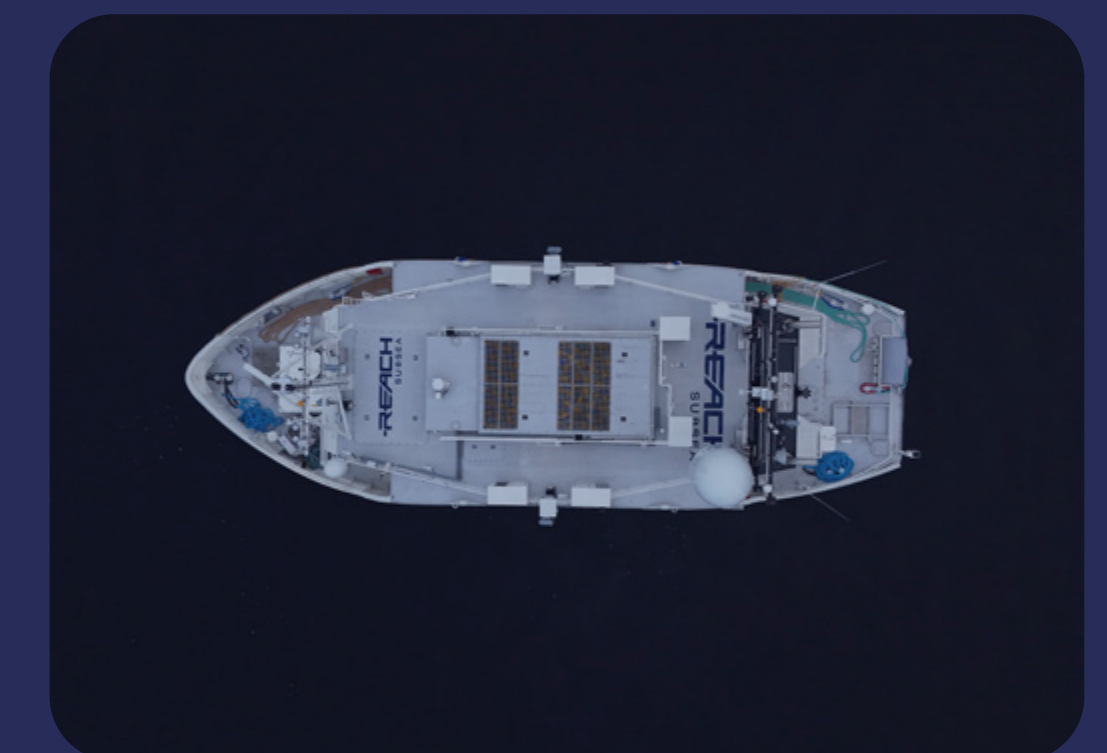
We are collaborating with Equinor and Total Energies and a few other major Client companies to carry out a technology qualification program for the Reach Remote, aiming to validate remote operations for various tasks offshore Norway. All the Clients are providing financial support for this initiative organized as a Joint Industry Project. Current operational areas are: Haugesund, Troll, Snorre, Gullfaks and Åsgard.

Proving the capabilities of the vessel

- Seabed mapping
- Pipeline inspection
- Subsea structure inspection
- Reservoir modelling by gravimetry measurements

Key features include

- Length: 23.9 meters
- Optimized for low energy consumption
- Electric Work Class ROV onboard
- Hull-mounted survey sensors
- Endurance of 30 days
- No personnel onboard

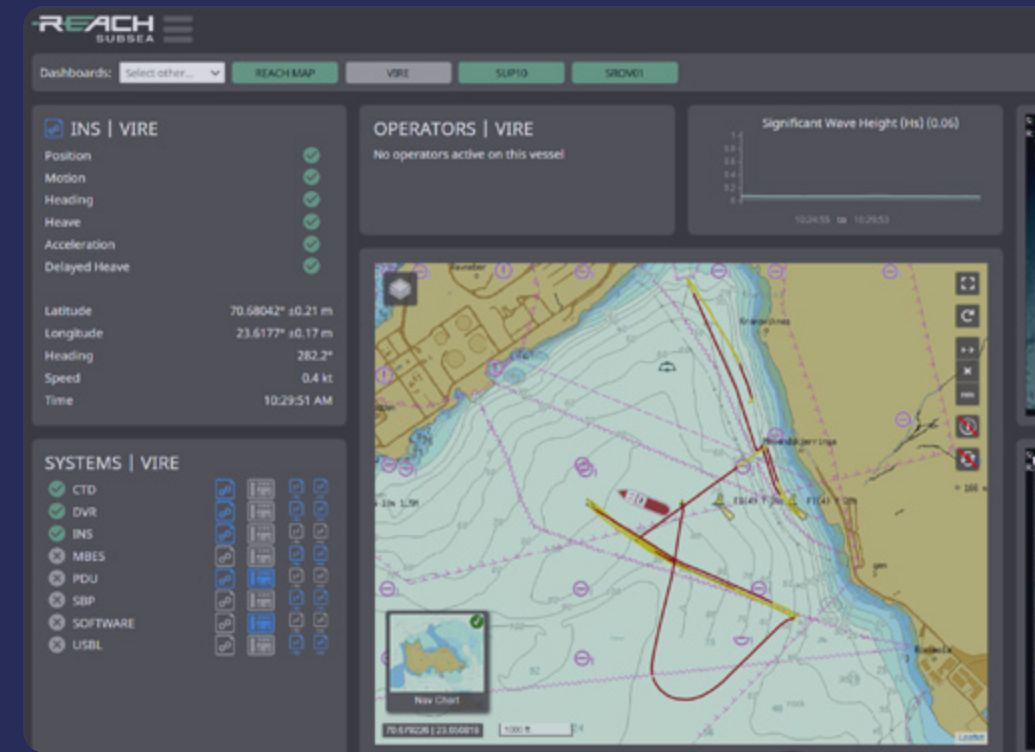


Reach Remote Q4 highlights



Completion of Sea Trials for Reach Remote 1

The successful completion of sea trials for Reach Remote 1 marks a significant milestone, testing navigation, dynamic positioning, sensor integration, and advanced functionalities in real offshore conditions. The results validated the system's reliability, fuel efficiency, and ability to perform with over-the-horizon control.



Reach Horizon: Smarter Remote Operations

The Reach Horizon initiative represents the next evolution in Reach Remote's remote operations strategy. It focuses on optimizing remote control operations. Key advancements include improved data analytics and quality control, enabling greater efficiency and reducing operational costs.



Commissioning of Reach Remote 2

Following the success of RR1, the commissioning of Reach Remote 2 is on full speed ahead, including final integrations and validation tests, ensuring compliance towards authorities and class.



Remote Operations Center (ROC) Setup Complete

The completion of the Reach Remote Operations Center (ROC) establishes a central hub for real-time monitoring and control of remote vessels and ROVs. Designed with cutting-edge connectivity, decision support, and careful human-machine interface, the ROCs enables efficient mission execution.

Remote vessels


[View online](#)

Reach Subsea DRIX (Orca 1 and Orca 2)

The DRIX is an 8-meter-long remotely controlled/autonomous survey vehicle designed for high-quality hydrographic surveys in shallow waters. Equipped with advanced sensors and multi-redundant communication systems, it ensures precise data collection and real-time transmission.

Its modular design enables versatile payload integration, supporting a range of missions from seabed mapping to subsea inspections. With exceptional seakeeping abilities and reduced fuel consumption, DRIX enhances efficiency while minimizing environmental impact, making it a cost-effective and sustainable solution for modern maritime operations.

Q4 highlights

- Throughout the last quarter, both the Orca 1 and Orca 2 DRIX units were actively engaged in a hydrographic mapping project in Saudi Arabia. By quarter-end, this project was successfully completed, with our two Drix units collectively surveying a total of 75,000 line km.
- This operation exemplifies how innovative methodologies and advanced technology can significantly enhance operational efficiency. These achievements establish a new benchmark in hydrographic surveys, providing crucial insights for safer navigation and maritime development.
- Through the deployment of our Drix units, Reach Subsea has advanced our remote survey capabilities, positioning us at the forefront of the ongoing technological shift towards unmanned, environmentally friendly operations.

Key features include

- Length: 7.7 meters
- Draft: 2 meters
- Beam: 0.82 meters
- MBES: EM2040



Sustainability within reach

Reach is committed to sustainability, addressing environmental, social, and governance (ESG) priorities with a strong focus. Progress is underway on the journey toward Corporate Sustainability Reporting Directive (CSRD) compliance, aligning with the European Sustainability Reporting Standards (ESRS).



ESG Q4 Summary



As we close the final quarter of 2024, Reach Subsea is pleased to report on our ESG performance for the year, reflecting a period of significant progress in sustainability efforts.

For this quarter, we did a reopening and advancement of our Double Materiality Assessment (DMA) in collaboration with our auditor, focusing on detailed topics under the European Sustainability Reporting Standards (ESRS). This initiative ensures our alignment with the upcoming Corporate Sustainability Reporting Directive (CSRD) requirements. We also strengthened our governance framework by participating in the Euronext Academy's "Driving Sustainability Strategy at Board Level," emphasizing the importance of sustainability at the leadership level. Additionally, our continued engagement in sustainability forums hosted by the Norwegian Shipowners' Association allowed us to contribute to industry-wide dialogue and exchange best practice.

Summary of key targets

Environmental

In 2024, we achieved key environmental milestones, reinforcing our commitment to sustainability. The successful sea launch of Reach Remote units (USV1 & USV2) marked a major step toward greener operations, reducing emissions, costs, and enhancing safety.

We also expanded beyond oil & gas, with 36 % of project days in the non-O&G sector, up from 32 % in 2023. This highlights our strategic focus on contributing to renewable energy markets and reducing dependency on traditional sectors.

In line with our environmental policy, we maintained our zero-spill record for 2024, reporting no major spills of hazardous materials to the sea. Our commitment to comprehensive reporting ensures a clear overview of all discharges, regardless of size, as part of our efforts to minimize environmental impact. Additionally, we reduced our carbon footprint, lowering emissions per vessel to 29.31 tons of CO₂ in 2024, compared to 35.08 tons in 2023.

Social

Our focus on talent development and workplace safety delivered positive results in 2024. The trainee & apprentice program saw great growth, with 17 apprentices and trainees engaged. This initiative reinforces our dedication to fostering professional development and attracting future talent.

While we achieved zero Lost Time Incidents (LTI) this year, two minor hand injuries were reported. We remain committed to continuous improvement in safety measures and will enhance efforts to prevent such incidents in the future.

Employee turnover for 2024 was 8.6 %, slightly above our target of 8 %. However, this represents significant progress compared to 10.7 % in 2023. Strengthening employee satisfaction and company culture will continue to be a priority as we strive for long-term improvement.

Governance

This year marked a milestone in enhancing organizational knowledge and awareness through the ReachED courses, with over 90 % completion achieved across the organization, onshore and offshore. These courses give our employees essential skills and insights in key areas Cybersecurity, Sustainability, Code of Conduct and Anti-Bribery.

The successful completion of these courses reflects our dedication to continuous improvement and responsible business practices.

Our path ahead 2025 involves updating and setting new ESG targets, based on a newly developed structure inspired by CSRD and ESRS. At the same time, we are preparing the company's first transition report to CSRD for the fiscal year 2024.

Key Targets for 2024

Environmental

Successfully bring two USVs to market in 2024

 **Ongoing**

Both Reach Remote units (USV1 & USV2) are now sea-launched.

Increase activity within non-O&G segment

 **Achieved**

Q424: 38 %
Full year 2024: 36 %
Full year 2023: 32 %

Activity is measured through performed project days.

Zero major spills of hazardous materials to the sea

 **Achieved**

Full year 2024: 0
Full year 2023: 0

CO₂ footprint below the NSA relevant emission targets

 **Achieved**

Our total CO₂ emissions per sold vessel
Full year 2024: 29.31 ton of CO₂
Full year 2023: 35.08 ton of CO₂

Based on fuel consumption on vessels hired in by Reach.

Social

Maintain turnover below 8 %

 **Not achieved**

Full year 2024: 8.6 %
Full year 2023: 10.7 %

10 apprentices and trainees participating yearly in trainee program

 **Achieved**

17 apprentices and trainees in 2024 to this date, located at Norwegian offices and offshore.

Zero work related injuries

 **Not achieved**

Full year 2024: 2
Full year 2023: 1

Two hand injuries

Lost time incidents (LTI) 0

 **Achieved**

Full year 2024: 0
Full year 2023: 0

Governance

90 % completion of Cyber security awareness training courses

 **Achieved**

90 % completion of Code of Conduct and Anti Bribery course

 **Achieved**

Implement and gain 90 % completion of Sustainability course

 **Achieved**

Finance

Financial results, capital structure and outlook



Financial results for the quarter



Figures for the same period last year are presented in brackets in the text.

Revenue for 4Q2024 was NOK 684.8 million (NOK 474.1 million), with the increase from last year primarily explained high project activity, including an increase in reimbursable cost.

Reach Subsea acquired Guardian Geomatics 15th November 2023. Financial results are fully consolidated as of that date.

Operating expenses for 4Q2024 were NOK 604.9 million (NOK 394.6 million) where project-related expenses, including depreciation of IFRS 16 assets, represent the majority of the operating expenses for the Group. The increase compared to the same period last year is primarily explained by a higher project activity, increase in reimbursable cost and a general market cost increase. Details about depreciations and impairment sensitivity is presented in the Notes.

4Q2024 operating result (EBIT) was NOK 79.9 million (NOK 79.5 million). Net financial items for 4Q2024 were NOK –66.9 million (NOK 1.6 million).

The main year-over-year differences are (i) result from associated companies of NOK –4.3 million (NOK 7.9 million), (ii) increased interest expenses due to the higher level of IFRS 16 related debt, which amounted to NOK –32.2 million (NOK –24.5 million) and (iii) currency effects, which amounted to NOK –33.1 million (NOK 15.7 million).

Our charter hires are in USD, NOK, GBP, EUR and AUD. Our project income is primarily USD, NOK, EUR and AUD.

The total comprehensive income for 4Q2024 was NOK 22.5 million (NOK 56.6 million).

For 4Q2024, Oil & Gas revenues constituted 72 % while Renewable/ Other constituted 28 % of total revenues. By comparison, in 4Q2023 Oil & Gas revenues were 60 % while Renewable/Other constituted 40 % of total revenues. Oil & Gas entails revenues from survey, IMR and light construction projects where the end client's asset is used in the oil & gas sector. Renewable/Other entails revenues from survey, IMR and light construction projects where the end client's asset is used outside the oil & gas sector.

Financial results year to date



Figures for the same period last year are presented in brackets in the text.

Revenue for the full year 2024 was NOK 2,717.7 million (NOK 1,995.9 million), with the increase from last year explained by higher project activity as well as increased reimbursable cost compared to the last year.

Reach Subsea acquired Guardian Geomatics 15th November 2023. Financial results are fully consolidated as of that date.

Operating expenses for 2024 were NOK 2,353.9 million (NOK 1,664.1 million) where project-related expenses, including depreciation of IFRS 16 assets, represent the majority of the operating expenses for the Group. The increase compared to the same period last year is primarily explained by a higher activity in 2024 as well as increased reimbursable cost, compared to last year and a general market cost increase. Details about depreciations and impairment sensitivity are presented in the Notes.

Operating result (EBIT) for 2024 was NOK 363.8 million (NOK 331.8 million).

The increased EBIT is primarily driven by high activity and strong project margins, partly offset by the sale of one ROV in 2Q2023 with a net gain of NOK 29.8 million. Net financial items for 2024 were NOK -133.7 million (NOK -42.3 million).

The main year-over-year differences are (i) result from associated companies of NOK 13.8 million (NOK 16.7 million), (ii) increased interest expenses primarily due to the higher level of IFRS 16 related debt, which

amounted to NOK -122.2 million (NOK -77.8 million) and (iii) currency effects, which amounted to NOK -32.9 million (NOK 13.9 million). Our charter hires are in USD, EUR, NOK, GBP and AUD. Project income in 2024 was primarily in NOK, USD, EUR and AUD.

The total comprehensive income for 2024 was NOK 205.9 million (NOK 224.7 million).

For 2024, Oil & Gas revenues constituted 65 % (68 %) while Renewable/ Other constituted 35 % (32 %) of total revenues.

For 2024, items the Board regard as transitory (other net financial items and disposal gains/ losses, adjusted for 22 % tax rate) impacted comprehensive income by NOK -25.6 million, while transitory items impacted 2023 comprehensive income by NOK 33.7 million.

Thus, comprehensive income adjusted for items the Board regards as transitory (basis for dividend policy) for 2024 was NOK 231.5 million (NOK 190.9 million), representing an increase of 21 %.

Capital structure

The Group's equity as of 31 December 2024 was NOK 1,091.9 million (NOK 928.0 million), which represents 33.6 % (34.5 %) of the total balance sheet.

The increased equity is explained by generated comprehensive income over the last 12 months, and partly offset by dividends paid in 2Q2024. The increase in total assets resulted in a marginally reduced equity ratio compared to the same period last year.

Total current assets at the end of the year were NOK 1,013.1 million (NOK 820.9 million), of which cash and cash equivalents amounted to NOK 278.0 million (NOK 436.4 million). Including the unutilized revolving credit facility, available liquidity was NOK 308.0 million (NOK 466.4 million).

Receivables and inventories were NOK 735.0 million (NOK 384.5 million). Total non-interest-bearing current liabilities were NOK 598.9 million (NOK 489.7 million). This leaves a net working capital of NOK 136.1 million (NOK -105.3 million).

Total non-current assets at the end of the year were NOK 2,234.6 million (NOK 1,867.0 million). The increase is mainly a result of increased (i) Property, plant and equipment of net NOK 115.3 million, (ii) Right of use assets (leases capitalized under IFRS 16) of net NOK 106.4 million and (iii) Assets under construction of net NOK 102.8 million, which is mainly related to the Reach Remote project. For details related to vessel commitment, please see the Notes.

Net interest-bearing debt (total interest-bearing debt, including capitalized leases under IFRS 16, less cash) stood at NOK 1,278.8 million (NOK 823.1 million). The increase is explained by the increased charter commitment as described above. Net financial interest-bearing debt to credit institutions (i.e. excluding IFRS 16 leases) was NOK -133.4 million (NOK -368.8 million), i.e. cash positive.

Net cash flow from operating activities for 4Q2024 was NOK 241.3 million (NOK 547.6 million) with the main year on year differences explained by a NOK 315 million difference in working capital movements. Net cash flow from operating activities for the full year 2024 was NOK 833.2 million (NOK 952.7 million).

Net cash flow from investing activities for 4Q2024 was NOK -74.0 million (NOK -56.5 million). Included in this figure is Purchase of fixed assets related to general equipment upgrades, mobilizations and general investments of NOK -74.0 million (NOK -84.1 million). Net cash flow from investing activities for the full year 2024 was NOK -262.8 million (NOK -208.4 million).

Net cash flow from financing activities for 4Q2024 was NOK -155.4 million (NOK -174.1 million) and includes vessel charter hire classified as "Repayment of borrowings and leases" according to IFRS 16. Net cash flow from financing activities for the full year 2024 was NOK -746.7 million (NOK -487.8 million).

Net change in cash and cash equivalents for 4Q2024 was NOK 11.9 million (NOK 317.1 million). Net change in cash and cash equivalents for the full year 2024 was NOK -176.3 million (NOK -256.5 million). Reach has per 31 December 2024 no major debt maturities to credit institutions falling due the next three years. Details about cashflow can be found in the Cash flow statement and the Notes.

The Reach Remote project is expected to amount to approximately NOK 449 million. As of December 31 2024 the company has capitalized NOK 333 million as Asset under construction. In addition, the company has financed two eROVs through leasing. As of December 31 the ROVs are under construction, and costs not recognised related to the ROVs amounts to NOK 65 million. The ROVs will be recognised in the balance sheet at commencement date.

Besides the Reach Remote project, Reach has taken multiple steps to secure vessel capacity at competitive terms during 2024. The additions to Right of use assets and liabilities in 2024 include the vessels Olympic Taurus, Northern Maria, Offshore Surveyor and Havila Subsea (extension).

Investments associated with these vessels and other capex projects is expected to amount to approximately NOK 224.3 million, and encompass equipment, upgrades and mobilization activities for vessels. As of December 31 2024 remaining investments related to these investments is estimated to NOK 85 million. Reach has secured bank and lease financing of NOK 67 million to partly fund these investments.

The Share

Reach Subsea ASA is listed on the Oslo Stock Exchange (Euronext). The Company has per 31 December 2024 issued 282,670,609 (271,769,245) shares, of which the majority is owned by Norwegian shareholders. The increased number of shares compared with 31 December 2023 is related to (i) a share increase of 9,886,364 new shares related to a warrant exercise by Wilhelmsen New Energy and (ii) a share increase of 1,015,000 new shares related to a share incentive program for employees exercised in December 2024. More information about the capital increase can be found www.reachsubsea.no/investors.

Investor relations

Reach essentially follows the recommendation for reporting of IR-information issued by the Oslo Stock Exchange and publishes all its news releases on www.newsweb.no, a service provided by the Oslo Stock Exchange. Reach aims for a high level of quality on the content, and high frequency of information, provided to its investors.

Our quarterly financial reports include financial details to increase the transparency of our business. Financial reports, General Meeting Minutes, share price information, Corporate Governance, Operational figures and presentation of the Board and Management can be found on the company's web page, as well as the latest Reach Subsea ASA Annual and Sustainability Report covering initiatives and measures on Corporate Social Responsibility.

Reach Subsea ASA has a dividend policy stating that the company aims to distribute a dividend of around 50 % of adjusted net profit. Adjusted net profit is defined as reported net profit, adjusted for items the Board regards as transitory.

News after quarter end

Reach has been awarded several contracts and call-offs under frame agreements, involving inspection, survey and construction support projects across Europe, the Americas and in Asia Pacific. Clients represent major operators and tier 1 contractors in both the oil & gas and renewable sectors.

Reach took delivery of the first USV, Reach Remote 1, on 16 January 2025. The second vessel is set to begin sea trials and is scheduled for delivery to follow shortly after.

Reach Remote 1 is currently being prepared and outfitted with subsea equipment for the earlier announced pilot project with Equinor, TotalEnergies and other major energy companies and includes a variety of relevant survey, ROV intervention, IMR and monitoring related work scope which will demonstrate the full capacity of the REACH REMOTE spread. The scope of work is part of a full-scale operation and will be executed offshore in the North Sea and Norwegian Sea on production fields such as Troll, Gullfaks, Snorre and Åsgard.

Our schedule shows strong utilization for all subsea spreads into early 2025. Our order book stands at approximately NOK 1.2 billion, with projects extending into 1Q2025 and beyond across oil & gas and renewables. These figures exclude options and expected call-off extensions under frame agreements, which from experience can constitute significant additional work.

Current tender volume for the Group is NOK 9.0 billion (8.0 billion).

Outlook

As we move into 2025, Reach Subsea is well-positioned to navigate a dynamic market where both challenges and opportunities emerge.

The offshore oil & gas sector continues to see strong investment, with subsea development expenditures projected to grow annually.

While long-term structural shifts in the energy sector will impact oil & gas demand, near-term activity remains resilient, driven by increased exploration and development efforts. The rising cost of conventional subsea operations, including vessel charter rates, is further reinforcing the value of cost-efficient and remote solutions like Reach Remote.

At the same time, new subsea markets such as offshore wind, offshore aquaculture, carbon storage monitoring, environmental surveillance, and subsea minerals continue to develop. These industries are driving demand for advanced subsea capabilities in both the short and long term. While each of these sectors faces its own set of challenges, they all present significant opportunities for growth and innovation in subsea services, particularly in data gathering, inspection, and monitoring — areas where Reach Subsea's expertise and technology investments provide a strong competitive edge.

To position ourselves for continued growth, we have taken key steps:

- **Technology & Remote Operations** – We are developing tools that enhance remote services across both our conventional fleet and Reach Remote USVs, increasing efficiency and expanding service offerings.
- **Fleet & Equipment Investments** – We have secured long-term vessel charters and made strategic upgrades to our subsea equipment pool, ensuring we remain agile and well-equipped.
- **Organizational Strength** – Key recruitments have strengthened our ability to execute projects in an increasingly complex market.

A major milestone in 2025 will be the full commercial launch of Reach Remote 1 and 2. We are seeing substantial market interest in remote subsea operations, reinforced by the pilot project with major clients. Additionally, the economic landscape—marked by rising subsea vessel charter rates—makes the Reach Remote concept even more commercially attractive.

Looking ahead, our focus will be on the following:

- Scaling remote operations across both USV and conventional subsea spreads.
- Expanding our presence in new and high-growth subsea sectors.
- Delivering integrated services that combine our technology, expertise and vessel capabilities.

With a strong financial foundation, a growing portfolio of remote services, and an industry shifting toward automation and sustainability, 2025 will be a pivotal year for Reach Subsea as we drive the future of subsea operations.

The Board and management are pleased with recording another record EBIT for 2024, although the lack of EBIT progress in Q4 was below ambition. However, this was partly explained by certain projects and associated profits moving into Q1 2025. The strong outlook for 2025 is underpinned by higher margins in current order backlog compared with last year, as well as our solid prospect list.

Haugesund, 12 February 2025

Rachid Bendriss (S)

Chairman of the Board

Martha Kold Monclair (S)

Board member

Kristine Skeie (S)

Board member

Espen Gjerde (S)

Board member

Arvid Pettersen (S)

Board member

Ingunn Ø. Iveland (S)

Board member

Anders Onarheim (S)

Board member

Jostein Alendal (S)

Managing Director

Contact: Jostein Alendal, CEO,
Birgitte Wendelbo Johansen, CFO

Financial Statements

Reach Subsea ASA Group



Income statement

	Q4 2024	Q4 2023	12M 2024	12M 2023	Notes
Statement of profit or loss (NOK 1000)	UNAUDITED		AUDITED		
Operating revenue	684 809	474 138	2 717 024	1 966 584	9
Other income/losses	-	-	678	29 319	3
Revenue	684 809	474 138	2 717 702	1 995 903	
Procurement expenses	(109 045)	(71 305)	(679 060)	(503 760)	
Personnel expenses	(153 957)	(111 311)	(473 867)	(348 794)	7
Other operating expenses	(121 630)	(79 343)	(394 876)	(188 558)	
EBITDA	300 178	212 180	1 169 899	954 790	
Depreciation and impairment	(220 312)	(132 658)	(806 143)	(623 005)	3, 10
Operating result (EBIT)	79 865	79 522	363 756	331 786	
Result from associated companies	(4 320)	7 859	13 750	16 714	12
Interest income	2 743	2 523	7 556	4 991	11
Interest expenses	(32 228)	(24 450)	(122 180)	(77 881)	10, 11
Other net financial items	(33 050)	15 712	(32 874)	13 925	11
Profit (loss) before taxes	13 010	81 166	230 009	289 534	
Income taxes	8 804	(23 459)	(24 575)	(63 743)	8
Profit (loss)	21 815	57 706	205 434	225 791	

	Q4 2024	Q4 2023	12M 2024	12M 2023	Notes
Comprehensive income (NOK 1000)	UNAUDITED		AUDITED		
Translation differences	717	(1 154)	445	(1 116)	
Comprehensive income items	717	(1 154)	445	(1 116)	
Total comprehensive income	22 532	56 553	205 879	224 675	
Earnings per share	0.08	0.21	0.75	0.89	
Diluted earnings per share	0.07	0.18	0.68	0.88	

Balance Sheet

	31.12.2024	31.12.2023	Notes
Statement of financial position (NOK 1000)	UNAUDITED		
Non-current assets			
Goodwill	109 590	109 590	4
Deferred tax assets	34 920	-	8
Intangible assets	25 209	30 769	4
Investment in associated companies	127 221	113 452	12
Assets under construction	369 475	266 658	3
Property, plant and equipment	298 598	183 279	3
Right-of-use assets	1 269 637	1 163 222	3,10
Total non-current assets	2 234 649	1 866 970	
Current assets			
Bunkers	33 405	28 418	
Trade receivables	651 079	314 166	
Other receivables	50 547	41 904	
Cash and cash equivalents	278 022	436 423	
Total current assets	1 013 053	820 912	
Total assets	3 247 702	2 687 882	

	31.12.2024	31.12.2023	Notes
Statement of financial position (NOK 1000)	UNAUDITED		
Equity			
Share capital	282 671	271 769	6
Share premium	412 114	388 273	
Proposed dividends	-	97 837	
Other equity	397 129	170 126	7
Total equity	1 091 913	928 005	
Non-current liabilities			
Interest-bearing debt to credit institutions	121 593	57 418	5, 10
Interest-bearing debt leases	621 185	805 931	5, 10
Deferred tax liabilities	-	10 567	8
Total non-current liabilities	742 779	873 916	
Current liabilities			
Interest-bearing debt to credit institutions short term	22 996	10 176	5, 10
Interest-bearing debt leases	791 086	386 036	5, 10
Tax payable	52 963	41 026	8
Trade payables	243 021	205 773	
Other current liabilities	302 944	242 951	
Total current liabilities	1 413 011	885 960	
Total liabilities	2 155 789	1 759 877	
Total equity and liabilities	3 247 702	2 687 882	

Cash flow

	Q4 2024	Q4 2023	12M 2024	12M 2023	Notes
Statement of cash flow (NOK 1000)	UNAUDITED		AUDITED		
Cash flow from operating activities					
Profit before tax	13 010	81 166	230 009	289 534	
Paid taxes	(44 085)	(8 808)	(50 767)	(8 808)	
Depreciation and amortisation	220 312	132 658	806 143	623 005	
Gain/loss on assets sold	-	-	-	(29 843)	
Interest income	(2 743)	(2 523)	(7 556)	(4 991)	
Interest expense	32 228	24 450	122 180	77 881	
Change in trade receivables	7 293	419 279	(336 913)	(12 535)	
Change in trade payables	(2 465)	(16 499)	6 746	27 038	
Change in other provisions	6 629	(76 447)	55 999	5 264	
Investments accounted for using the equity method	4 320	(7 859)	(13 750)	(16 714)	
IFRS 2 share-based payments	6 770	2 222	21 124	2 897	
Net cash flow from operating activities	241 270	547 639	833 214	952 728	
Cash flow from investing activities					
Acquired cash balance from consolidation of Guardian Geomatics	-	27 652	-	27 652	
Sale of fixed assets	-	-	-	31 384	
Purchase of fixed assets	(74 003)	(84 133)	(262 814)	(202 708)	
Purchase of shares in associated companies	-	-	-	(64 721)	
Net cash flow from investing activities	(74 003)	(56 481)	(262 814)	(208 392)	

	Q4 2024	Q4 2023	12M 2024	12M 2023	Notes
Statement of cash flow (NOK 1000)	UNAUDITED		AUDITED		
Cash flow from financing activities					
Net interest received/paid	(1 713)	1 490	(1 826)	2 001	
Proceeds from issuance of ordinary shares	34 741	2 244	34 741	123 040	
Proceeds from bank loan	-	-	55 000	27 500	
Payment of dividends	-	-	(97 837)	(45 981)	
Repayment of borrowings	(3 294)	(2 238)	(9 729)	(23 300)	
Repayment of leases (including interests)	(185 097)	(175 582)	(727 094)	(571 042)	
Net cash flow from financing activities	(155 363)	(174 086)	(746 745)	(487 781)	
Net change in cash and cash equivalents	11 904	317 072	(176 344)	256 556	
Cash and cash equivalents in the start of the period	259 180	136 565	436 423	191 591	
Translation differences	6 938	(17 214)	17 943	(11 723)	
Cash and cash equivalents in the end of the period	278 022	436 423	278 022	436 423	

Equity

(NOK 1000)	Share capital	Share premium	Proposed dividends	Other reserves	Retained earnings	Total
Equity 1 January 2024	271 769	388 273	97 837	10 790	159 336	928 006
Profit for the year					205 434	205 434
Other comprehensive income for the year					445	445
Total comprehensive income for the year					205 879	205 879
Proceeds from shares issued	10 901	23 840				34 741
Dividends paid			(97 837)			(97 837)
Proposed dividends						-
IFRS 2 share-based payments				21 124		21 124
Equity 31 December 2024	282 671	412 114	-	31 913	365 215	1 091 913

Notes

Note 1 - Basis for preparation

These consolidated interim financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting. The interim financial statements are unaudited, and do not include all of the information required for the full financial statements, and should be read in conjunction with the consolidated yearly financial statement. The yearly financial statement are audited. Consolidated interims- and yearly financial statements are available on the news services from Oslo Stock Exchange (www.newsweb.no) or the company's webpage (www.reachsubsea.com).

Note 2 - Significant accounting principles, estimates and judgements

The accounting principles used in the preparation of these financial statements are consistent with those used in the annual financial statements. These consolidated condensed financial statements should be read in conjunction with the annual financial statements, which include a full description of the Group's accounting principles.

The preparation of the interim accounts entails the use of judgements, estimates and assumptions that affect the application of accounting policies and the amounts recognised as assets and liabilities, income, and expenses. The estimates and associated assumptions are based on historical experience and other factors that are considered to be reasonable under the circumstances. The actual results may deviate from these estimates. The material assessments underlying the application of the company's accounting policies and the main sources of uncertainty are the same for the interim accounts as for the annual accounts for 2023.

Notes

Note 3 - Fixed assets

Asset category	Assets under construction	Property plant and equipment	Property plant and equipment	Property plant and equipment	Right-of-use assets	
Fixed assets (NOK 1000)	Assets under construction	ROV and ROV equipment	ROV, leased from financial institutions	Equipment and office machinery	Right of use asset Vessel and other equipment	Total
Purchase cost 01.01.24	266 658	186 981	125 134	155 858	1 607 273	2 341 904
Additions	155 726	20 023	42 967	75 958	830 772	1 125 447
Reclassifications	(52 909)	690	43 334	8 885	-	-0
Disposals/adjusted commitment	-	-	-	-	-	-
Purchase cost 31.12.24	369 475	207 694	211 436	240 701	2 438 045	3 467 351
Accumulated depreciation 31.12.24	-	(157 886)	(114 462)	(88 972)	(1 168 408)	(1 529 728)
Accumulated impairment 31.12.24	-	-	-	-	-	-
Net book value 31.12.24	369 475	49 808	96 974	151 816	1 269 637	1 937 710
Depreciation in 2024	-	(15 035)	(5 646)	(55 742)	(724 159)	(800 582)
Impairment in 2024	-	-	-	-	-	-
Expected useful life (years)		3-8	3-8	3-5	1-3	
Depreciation plan	Ongoing projects	Linear	Linear	Linear	Linear	

Refer to note 10 for Right-of-use assets.

Notes

Note 3 - Fixed assets - continued

Assets under construction can be divided into the following categories:

Reach Remote	338 127
Tax deduction scheme Reach Remote-project (SkatteFUNN)	(4 750)
Other capex-projects and mobilizations	36 098
Net book value 31.12.24	369 475

Summary

Impairment testing has been performed in accordance with IAS 36.

Discount rate

The discount rate is based on the Weighted Cost of Capital (WACC) pre tax for the Group. The discount rate is 11.0 %.

Revenue assumptions

The revenue assumption in the cash flow forecast is based on a combination of utilisation for assets and selling price. Utilisation is based on firm contractual days on a short to medium term and estimated future selling on a medium to longer term. Forecasted utilisation on a longer term is based on historical data, as well as managements expectations of market development. Forecasted selling rates are based on historical data. No inflation adjustments have been made to revenue assumptions.

Right-of use-assets - vessels:

The right-of-use assets at 31 December 2024 represents the remaining committed vessel days on charter agreements with vessel owners and lease agreements for offices. The impairment testing demonstrated that the recoverable amount is larger than book value, and as such no impairment charge is required. The recoverable amount is sensitive to estimated utilisation and selling rate assumptions. See note 10 for further information on Right-of-use assets.

ROV and ROV equipment:

Impairment testing has been performed on each ROVs CGU, i.e. both owned and leased ROVs. The recoverable amount is based on estimated future cash flows, which is based on estimated selling price, budgeted maintenance cost and utilization. The impairment testing demonstrated that the assets recoverable amount is larger than book value, and as such no impairment charge is required. The recoverable amount is based on estimated future cash flow for the CGU, and is sensitive to estimated utilisation and selling rate assumptions.

A sensitivity analysis show the following sensitivity in the impairment testing, including both Right-of-use assets, ROV and ROV equipment:

Drop in estimated revenue	Impairment charge (NOK 1000)
10 %	-
20 %	-
30 %	13 657

An increase of the WACC of 2 percentage points will not result in any impairment.

Notes

Note 4 - Intangible assets and goodwill

Asset description (NOK 1000)	Research and development	Customer relationships	Goodwill	Total
Purchase cost 01.01.24	2 372	32 000	109 590	143 962
Additions	-	-	-	-
Disposals/adjustments	-	-	-	-
Purchase cost 31.12.24	2 372	32 000	109 590	143 962
Accumulated depreciation 31.12.24	(455)	(8 708)	-	(9 164)
Net book value 31.12.24	1 917	23 292	109 590	134 798
Depreciation in 2024	(227)	(5 333)	-	(5 561)
Depreciation plan	Linear	Linear		
Estimated useful life	5-10 years	6 years	Indefinite	

Research and development are related to development of software/equipment related to the company's ASUMO project. As of 31 December 2024 the group has net book values for R&D totaling NOK 1.9 million. Hours spent have been capitalized for personnel as well as other external consultants related to the development of equipment and software.

Customer relationships and goodwill are related to the acquisition of iSurvey Group in March 2022 and Guardian Geomatics in November 2023. Refer to the 2023 annual report for further information regarding the transactions.

The residual goodwill is tested for impairment on corporate level. The starting point for the impairment test is the difference between market value and book value of equity. As of December 31 2024 the market value exceeds the carrying amount of equity, and no impairment indicators have been identified.

Notes

Note 5 - Borrowings

(NOK 1000)	31.12.2024	31.12.2023
Non-current liabilities		
Bank borrowings (including capitalized loan costs)	67 538	24 623
Lease liabilities to credit institutions	54 055	32 795
Other non-current lease liabilities (IFRS 16)	621 185	805 931
Total non-current borrowings	742 779	863 350
Current borrowings		
Bank borrowings (including capitalized loan costs)	14 156	5 817
Lease liabilities to credit institutions	8 840	4 358
Other current lease liabilities (IFRS 16)	791 086	386 036
Total current interest-bearing debts	814 082	396 211
Carrying amount		
Bank borrowings	81 695	30 441
Lease liabilities	1 475 166	1 229 120
Total carrying amount	1 556 861	1 259 561
Fair value		
Bank borrowings	81 695	30 441
Lease liabilities	1 475 166	1 229 120
Total fair value	1 556 861	1 259 561

Bank borrowings mature in the range of 2025-2033 and bear average coupons of 8.5 % annually. The bank borrowings are subject to industry relevant covenants. Due to changes in equity and the financing of ongoing capex-projects the existing covenants was updated in 2023. The financial covenants are as follows:

- Minimum liquidity: Cash and cash equivalents, including any undrawn and available part of the overdraft facility with SR-Bank, shall at all times to be minimum NOK 40 million.
- Debt service Coverage Ratio: The ratio of last 12 months' (LTM) EBITDA to the next 12 months' total estimated interest and instalments on Interest Bearing Debt (excl IFRS16 instalments/incl. lease liabilities to credit institutions) shall at all times be minimum 2.00.
- Booked Equity shall be minimum NOK 500 million and Booked Equity Ratio shall be minimum 25 %.

As of 31 December 2024 the liquidity position (including overdraft facility) is 308.0 million, the Debt service Coverage Ratio is 6.4, and Booked equity NOK 1 092 million/34 %. All financial covenants are well within the thresholds mentioned above. Please note that some of the financial covenants in the groups debt facilities exclude the effects from IFRS 16, and therefore can not be directly derived from the groups financial statements.

Total borrowings to bank and financial institutions includes secured liabilities (bank and collateralised borrowings) of NOK 81.7 million (2023: NOK 30.4 million). Bank borrowings are secured by equipment and receivables of the group.

Notes

Note 6 - Shareholders

20 largest shareholders as per 31.12.24	Shares	Stake
WILHELMSSEN NEW ENERGY AS	52 136 636	18.4 %
NORTH INDUSTRIES 1 AS	50 832 449	18.0 %
SURVEY HOLDING AS	29 116 897	10.3 %
CITIBANK, N.A.	11 602 262	4.1 %
J.P. MORGAN SE	8 111 614	2.9 %
HOLME HOLDING AS	6 044 500	2.1 %
JT INVEST AS	5 889 539	2.1 %
NORMAND DRIFT AS	5 000 000	1.8 %
PERSHING LLC	3 940 843	1.4 %
LION INVEST AS	3 769 928	1.3 %
FJORD & ATOLL SOSYFR AS	3 654 482	1.3 %
RARA AS	3 654 482	1.3 %
SBAKKEJORD AS	3 654 482	1.3 %
CACEIS BANK	3 650 000	1.3 %
ALTEA AS	2 973 658	1.1 %
DANSKE INVEST NORGE VEKST	2 538 712	0.9 %
STAVA INVEST AS	2 193 426	0.8 %
BARRUS CAPITAL AS	2 110 090	0.7 %
RMS INVEST AS	2 000 000	0.7 %
JAKOB HATTELAND HOLDING AS	2 000 000	0.7 %
Total 20 largest	204 874 000	72.5 %
Others	77 796 609	27.5 %
Total	282 670 609	100.0 %

Reach Subsea's share capital amounts to NOK 282,670,609 divided into 282,670,609 shares, each with a nominal value of NOK 1.

On 17 February 2022, Wilhelmsen New Energy AS, a wholly owned subsidiary of Wilh. Wilhelmsen Holding ASA, agreed to subscribe for, and be allocated, 46,126,567 new shares in Reach Subsea ASA at a subscription price of NOK 3.25 per share. The agreement also included the issuance of warrants, whereby Wilhelmsen New Energy AS received the right to subscribe for and be allocated an additional 44,766,864 new shares in Reach Subsea ASA at a subscription price of NOK 4.00 per share. In the event of any distribution to the company's shareholders by way of dividend payment, share capital reduction or share premium fund reduction, the subscription price is adjusted correspondingly. The effect of such adjustments is that the number of warrants is adjusted so that the aggregate number of warrants gives a total consideration as close as possible to the total consideration for which the investor could acquire shares pursuant to the warrants prior to the relevant adjustment.

The warrants have a duration of three years and can be exercised at any time. The private placement and the issuance of the warrants was approved on an extraordinary general meeting in Reach Subsea ASA, held on 15 March 2022.

On 4 December 2024 Wilhelmsen New Energy AS exercised 9,886,364 out of its total warrants of 54,593,737. Refer to press releases sent via Newsweb for further information.

As of 31 December 2024 Wilhelmsen New Energy AS have a combined holding of shares and warrants of 96,844,009.

Notes

Note 7 - Share-based remuneration

During 2024 the company has had two active stock option programmes. Stock option program 1 expired in December 2024, see below for further details. Stock option program 2 was established in 2024 and is active as of 31 December 2024, see below for further information.

Stock option program 1

In 2021 the Board of directors of Reach Subsea ASA approved a stock option scheme to further align the interests of the participating employees in Reach Subsea with those of the shareholders. The stock option scheme was finalised with a signed agreement between the company and Management and certain key employees 15.12.2021. Management and certain key employees of the Reach Subsea-group was granted the right to acquire up to a certain maximum number of shares in the Company at a fixed strike price. The strike price was set equal to the volume weighted average share price of the Company's stock traded on the Oslo Stock Exchange 10 days prior to the finalization of the option scheme.

The options have been vested with 1/3 each year, over a period of three years until 31.12.2024. The options were non-tradable and conditional upon the participant being employed by the Reach Subsea-group at the vesting date. The stock option plan constituted a maximum of 3.000.000 options equivalent to a similar number of Reach Subsea ASA shares.

The fair value at grant date was determined using a Black Scholes Model. The most significant inputs and assumptions in determining fair value at grant date was:

Exercise price: NOK 3.0	Share price at grant date: NOK 3.0
Expected volatility: 56.14 %	Risk free interest rate: 1.092 %
Term of options: 3 years	

As of 31 December 2024 the stock option program is expired. During the 2024 the company has recognised NOK 1.3 million in cost related to the options.

Stock option program 2

In 2024 the Board of Directors of Reach Subsea ASA decided to establish a long-term incentive program for senior executives and key personnel in accordance with the Group's Remuneration Guidelines. The incentive program encompasses up to 15,000,000 new share options. Under the incentive program, participants will receive share options, which, if certain predefined performance criteria are met within a performance period, can be exercised by paying the predefined strike price. The strike price is set as the nominal value, NOK 1.00. One share option gives a contingent entitlement to one share after paying the strike price. Participants in the incentive program can elect to have up to 50 % of their options settled in cash to finance any potential tax expenses. 50 % of the options issued will vest after 3 years given a share price above NOK 9.00. 50 % of the options issued will vest after 5 years given a share price above NOK 12.00. The share price hurdles of NOK 9.00 and NOK 12.00 are subject to adjustments for dividends paid during the vesting period. The options have an exercise period of 6 months after vesting date.

The fair value at grant date was determined using the Monte Carlo valuation method. The most significant inputs and assumptions in determining fair value at grant date was:

Exercise price: NOK 1.0	Share price at grant date: NOK 5.96
Expected volatility: 40.14 %	Risk free interest rate: 3.172 %

As of 31 December 2024 the stock option programme is active. During 2024 the company has recognised NOK 7.1 million in cost related to the options.

As of 4Q2024 the Company has recognized a total of NOK 8.4 million in cost related to options.

Notes

Note 8 - Tax

(NOK 1000)	01.10 - 31.12 2024	01.10 - 31.12 2023	01.01 - 31.12 2024	01.01 - 31.12 2023
Taxes payable	12 194	15 532	70 061	42 261
Changes in deferred taxes	(20 998)	7 927	(45 487)	21 482
Taxes, in total	(8 804)	23 459	24 575	63 743

Deferred taxes / (Deferred tax assets)

Temporary differences	31.12 2024	31.12 2023
Other fixed assets	(19 083)	(3 135)
Financial leases	30 648	17 415
Fixed-price contracts	-	-
Inventories	(934)	(934)
Accruals	(35 117)	(18 376)
Right-of-use assets	(142 657)	(29 172)
Intangible assets	58 642	74 775
Tax loss carried forward Norway	-	-
Tax loss carried forward outside of Norway	(67 650)	(64 338)
Temporary differences, in total	(176 151)	(23 765)
Deferred tax assets	(34 920)	(799)
Not recognized deferred tax assets	-	(11 366)
Deferred tax assets in balance sheet*	34 920	(10 567)

Deferred tax assets are recognized in the balance sheet based on expected utilization of tax losses carried forward and temporary differences. The carrying amount of deferred income tax assets are reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Unrecognised deferred income tax assets are reassessed at each balance sheet date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Notes

Note 8 - Tax continued

(NOK 1000)	01.10 - 31.12 2024	01.10 - 31.12 2023	01.01 - 31.12 2024	01.01 - 31.12 2023
Reconciliation from nominal to actual tax rate				
Profit & loss before taxes	13 010	81 166	230 009	289 534
Nominal tax rate	22 %	22 %	22 %	22 %
Anticipated income tax due to nominal tax rate	2 862	17 856	50 602	63 698
Actual tax cost	(8 804)	23 459	24 575	63 743
Deviation	(11 667)	5 603	(26 027)	46
Tax effects of:				
Permanent differences	12 226	(2 446)	14 716	104
Effect of tax rates outside Norway different from 22 %	(560)	(1 157)	(055)	-270
Changes in deferred tax assets, not recognized	-	(1 999)	-	120
Changes in deferred tax assets, previously not recognized	-	-	11 366	-
Explanation	11 667	(5 603)	26 027	(46)
Effective tax rate	20 %	16 %	15 %	22 %
Payable taxes in the balance sheet	31.12 2024	31.12 2023		
Payable taxes in the tax charge	(63 750)	(37 511)		
Advances paid on tax charge	11 407	1 056		
Tax payable previous years	(620)	-		
Tax payable from business combinations	-	(4 570)		
Payable taxes in the balance sheet	(52 963)	(41 026)		

The parent company and some other companies in the Group are subject to ordinary taxation. One company in the Group is subject to tonnage tax.

Notes

Note 9 - Segments

(NOK 1000)	01.10 - 31.12 2024	01.10 - 31.12 2023	01.01 - 31.12 2024	01.01 - 31.12 2023
Operating revenue				
Oil & Gas	490 304	285 322	1 774 661	1 332 996
Renewable / other	194 505	188 816	942 363	633 588
Total	684 809	474 138	2 717 024	1 966 584
Revenue by region				
Norway	176 383	164 405	841 375	412 117
Europe	146 128	165 067	943 254	693 672
Americas	259 882	71 301	644 997	277 872
Asia	4 982	27 744	136 732	81 690
Oceania	97 437	-	150 576	29 002
Other*	0	45 621	90	472 231
Total	684 809	474 138	2 717 024	1 966 584
Revenue by type of service				
Data	257 649	151 237	1 022 239	406 336
Solutions	427 161	322 900	1 694 785	1 560 248
Total	684 809	474 138	2 717 024	1 966 584

* Mainly related to Ivory Coast.

Revenues are categorised as either Data or Solutions based on the nature of the service delivered to a client. Data represents delivery of various types of maps, models and/or reports collected through subsea survey and/or inspection projects. Solutions represents delivery of a specific client solution such as repair, modification, installation or removal of subsea equipment and infrastructure.

Notes

Note 10 - Leasing

Long and short term leases (committed lease term 12 months or less) of vessels and ROV's are capitalized as right- of use assets and depreciated under IFRS 16. The impact is that all cost in relation to leases of vessels/ROV's are presented as depreciation and interest expenses. No other short term leases, except for vessels and ROV's, are capitalized as right- of use assets and depreciated.

As of 31 December 2024, Right of use assets in the balance sheet consist of contractual commitments for vessels and offices. Short term leases with no contractual commitment (pay as you go contracts), are not capitalized.

At inception of a contract the lease liability and the corresponding Right-of-use assets is measured at the present value of the estimated lease payments. Short term hired in vessels and ROV's are treated as short term leases under IFRS 16 and are also recognized as depreciations. The calculated lease liability is calculated with a discount rate of 7.5 %.

The following have been recognized in 2024:

Right-of-use assets	31.12.2024	31.12.2023
Property plant and equipment	1 269 637	1 163 222
Total	1 269 637	1 163 222

Lease liabilities	31.12.2024	31.12.2023
Current	791 086	386 036
Non current	621 185	805 931
Total	1 412 271	1 191 967

See note 5 for further information on the Company's borrowings.

	Q4 2024	Q4 2023	12M 2024	12M 2023
Depreciation charge of right-of use assets	191 744	118 296	724 159	581 645
Depreciation recognised as contract asset	-	1 275		-
Impairment charge of right-of-use assets	-	-	-	-
Interest expense	27 773	23 417	112 798	74 892
Total charges to the P&L	219 518	141 713	836 958	656 537

The total cash outflow for leases in 4Q2024 was NOK 185.1 million (4Q2023: 175.6 million).

Notes

Note 10 - Leasing continued

Reconciliation of leases on committed days recognised in 2024:	Right-of use assets	Lease liability, non-current	Lease liability, current
Opening balance 01.01.2024	1 163 222	805 931	386 036
Additions	830 772	-	830 772
Additions from business combination	-	-	-
Disposals	-	-	-
Depreciation of right-of-use-assets	(724 159)	-	-
Impairment	-	-	-
Interests	-	-	112 798
Reclassification from long to short term	-	(184 539)	184 539
Adjusted commitment	(197)	(206)	-
Currency adjustment	-	-	59 957
Payments	-	-	(783 016)
Ending balance 31.12.2024	1 269 637	621 185	791 086

Reconciliation of depreciation	Q4 2024	Q4 2023	12M 2024	12M 2023
Depreciation of long term right-of-use assets	178 387	95 742	625 764	429 015
Depreciation of short term right-of-use assets	13 357	22 554	98 396	152 630
Depreciation recognised as contract asset	-	1 275	-	-
Depreciation of other assets	28 568	13 086	81 984	41 360
Total depreciation	220 312	132 658	806 143	623 005

The right-of-use assets are calculated based on a discounted estimated commitment on vessels (Havila Subsea, Olympic Triton, Viking Reach, Go Electra, Deep Cygnus, Olympic Taurus, Northern Maria, Offshore Surveyor) and offices. Other short term hired in vessels are treated as short term leases under IFRS 16 and are also recognised as depreciations.

Notes

Note 11 - Financial items

Finance income and expenses	Q4 2024	Q4 2023	12M 2024	12M 2023
Interest income on short term bank deposits	2 743	2 523	7 556	4 991
Total interest income	2 743	2 523	7 556	4 991
Interest expense on bank borrowings	(4 455)	(660)	(7 208)	(2 617)
IFRS 16 interest expense	(27 773)	(23 417)	(112 798)	(74 892)
Other interest expense	-	(373)	(2 173)	(373)
Total interest expense	(32 228)	(24 450)	(122 180)	(77 881)
Net foreign exchange expense/income	16 503	(2 763)	26 597	1 885
Currency adjustment related to IFRS 16	(50 589)	18 636	(59 957)	12 616
Other finance costs	1 031	(165)	482	(580)
Total other net financial items	(33 050)	15 712	(32 874)	13 925
Net financial items	(62 535)	(6 215)	(147 498)	(58 963)

Note 12 - Investment in associated companies

Investment in associated companies comprises shares in the entities Eidesvik Reach AS and Guardian Geomatics Arabia Limited. Reach Subsea holds a 49.9 % ownership in Eidesvik Reach AS, and a 40 % ownership in Guardian Geomatics Arabia Limited. Eidesvik Reach AS owns and operates the vessel Viking Reach. Guardian Geomatics Arabia Limited is a Saudi Arabia registered company, and was acquired through the purchase of 100 % of the shares in Guardian Geomatics in November 2023. Refer to annual report 2023 for further information regarding the Guardian transaction.

The investments are accounted for using the equity method:

Reconciliation and specification of carrying amount of investment in associates:	31.12.2024	31.12.2023
Opening balance carrying amount of investments in associates	113 452	-
Acquisition cost shares acquired, Eidesvik Reach AS	-	95 632
Acquisition cost shares acquired through business combination, Guardian Geomatics Arabia Limited	-	1 129
Translation differences	19	(23)
Share of net result in investment, Eidesvik Reach AS	13 750	16 714
Share of net result in investment, Guardian Geomatics Arabia Limited	-	-
Total carrying amount of investments in associates at balance date	127 221	113 452
Specification of net result from investment in associates recognised in the income statement:		
Share of net result in investment, Eidesvik Reach AS	13 750	16 714
Share of net result in investment, Guardian Geomatics Arabia Limited	-	-
Net result from investments in associates	13 750	16 714

Notes

Note 13 - Commitments

The Reach Remote project is expected to amount to approximately NOK 449 million. As of December 31 2024 the company has capitalized NOK 333 million as Asset under construction. In addition, the company has financed two eROVs through leasing. As of December 31 the ROVs are under construction, and costs not recognised related to the ROVs amounts to NOK 65 million. The ROVs will be recognised in the balance sheet at commencement date.

Besides the Reach Remote project, Reach has taken multiple steps to secure vessel capacity at competitive terms during 2024. The additions to Right of use assets and liabilities in 2024 include the vessels Olympic Taurus, Northern Maria, Offshore Surveyor and Havila Subsea (extension).

Investments associated with these vessels and other capex projects is expected to amount to approximately NOK 224.3 million, and encompass equipment, upgrades and mobilization activities for vessels. As of December 31 2024 remaining investments related to these investments is estimated to NOK 85 million. Reach has secured bank and lease financing of NOK 67 million to partly fund these investments.

Note 14 - Events after quarter end

The Group has not had any major events after the balance sheet date that affects the accounts.

Definitions

EBIT

Earnings before interest and taxes (operating result).

Liquidity

Cash and cash equivalents plus unutilized revolving credit facility

Net working capital

Receivables and inventories less non-interest bearing current liabilities.

Net interest-bearing debt

Interest bearing debt less cash and cash equivalents.

Number of ROV days sold

Total number of ROV days sold in Reach Subsea AS during a defined period.

Number of ROV days available

Total number of ROVs owned by Reach Subsea multiplied with number of days in a defined period, plus total number of ROVs hired in by Reach Subsea AS multiplied with actual number of operational days in a defined period.

Project days

Total number of days that a subsea spread is sold to projects, including ROV, personnel and/or vessel.

Technical uptime on ROVs

1-unpaid break down hours divided by total sold operation hours.

LTIs

Number of loss time incidents (number of incidents resulting in absence from work).

Number of vessel days sold

Vessel days sold by Reach Subsea AS (excl. JV/ Cooperation partners) that passes through our income statement.

Contact

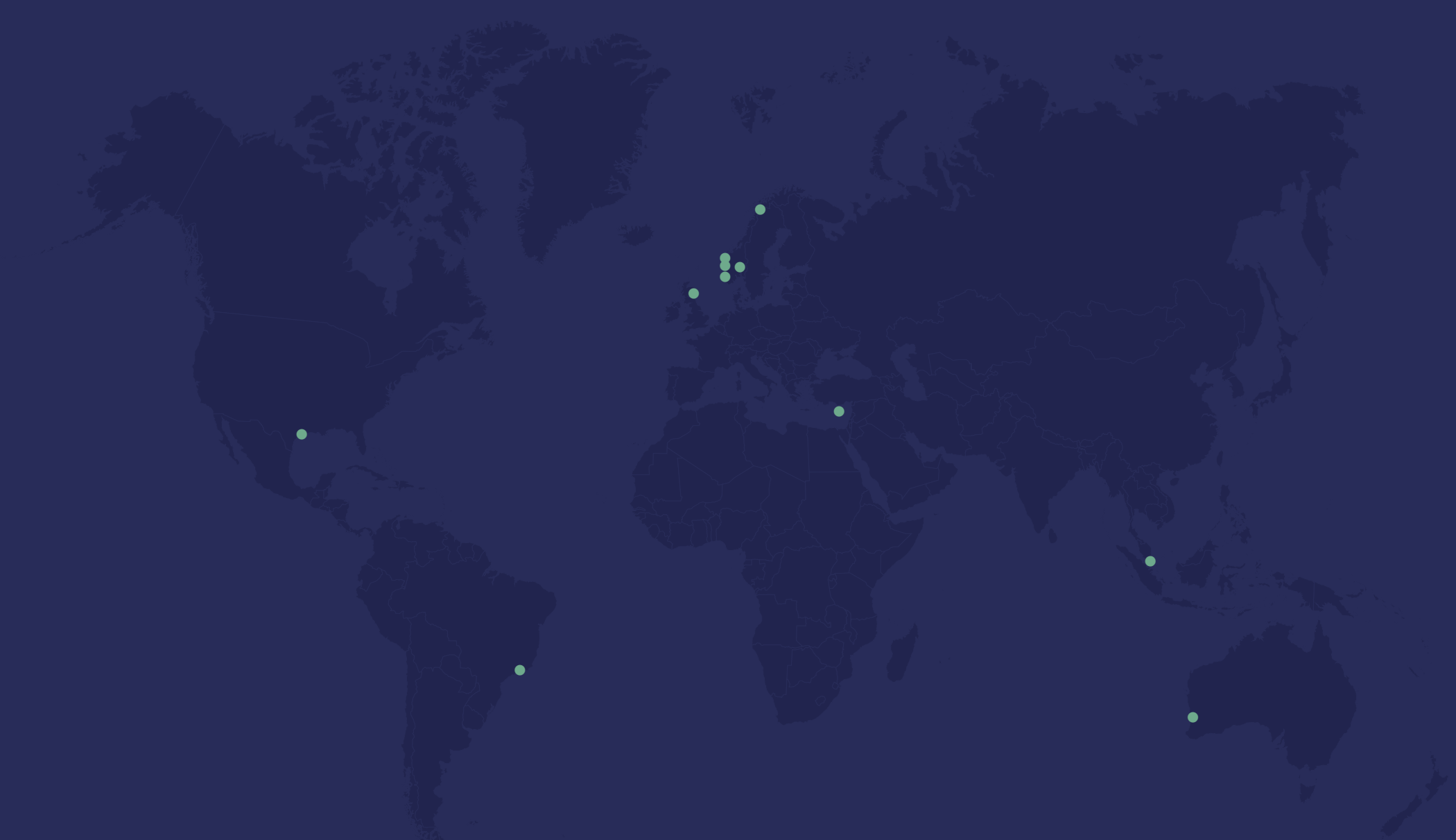


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