

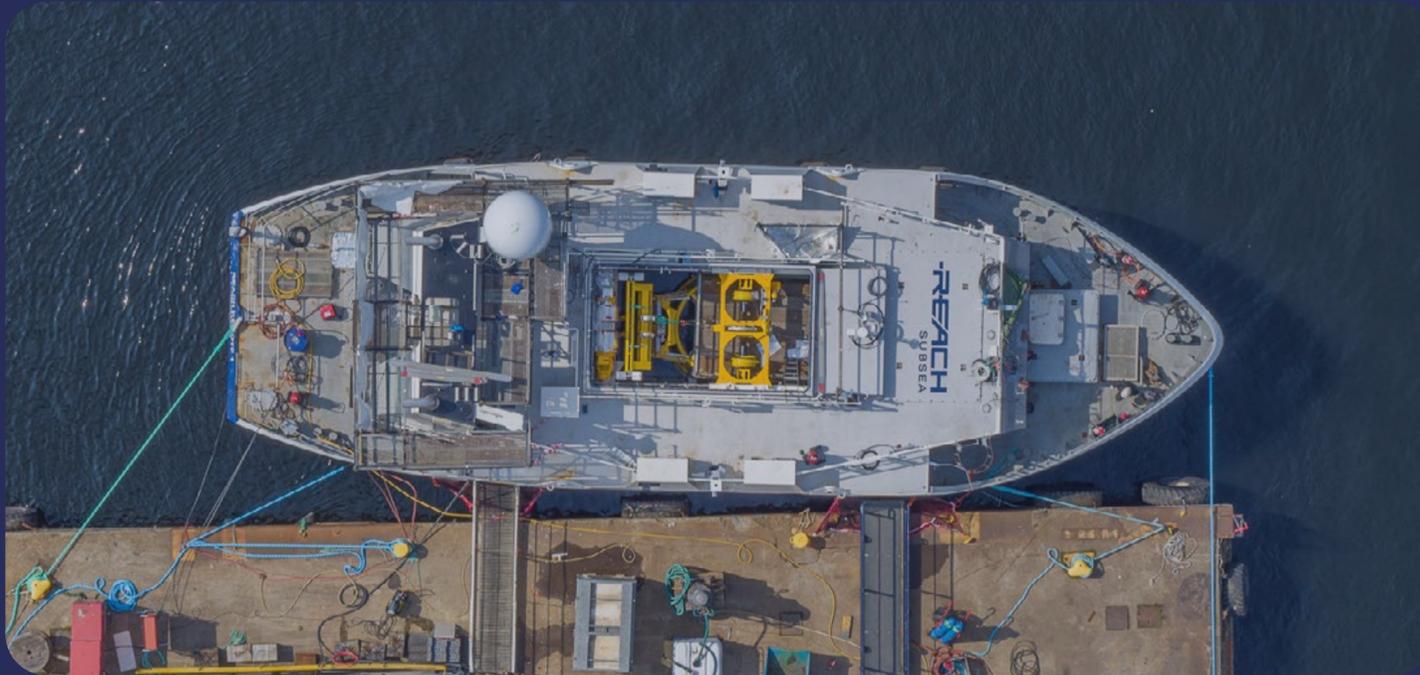
Everything within Reach

# 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, 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

All time high 1Q revenue and profitability driven by growth, strong market conditions and successful project execution.

Revenue for 1Q2025 was NOK 698.7 million (NOK 575.3 million).

EBIT for 1Q2025 was NOK 68.2 million (NOK 28.7 million), while pre- tax result was NOK 67.2 million (NOK –8.9 million).

Strong outlook as evidenced by a steady backlog of NOK 1.3 billion and tender volume of NOK 10.0 billion.

# Key figures

	1Q 2025	1Q 2024	12M 2024
	UNAUDITED		AUDITED
Revenue (NOKm)	699	575	2 718
EBIT (NOKm)	68	29	364
Pre-tax profit (NOKm)	67	(9)	230
Cash and cash equivalents (NOKm)	327	201	278
Net working capital (NOKm)	227	149	136
Net interest bearing debt excl IFRS 16 leases (NOKm)	(117)	(107)	(133)
Net interest bearing debt incl IFRS 16 leases (NOKm)	1 093	1 525	1 279
Equity (NOKm)	1 292	938	1 092
Order backlog (NOKm)	1 300	1 300	1 850
Outstanding tender value (NOKbn)	10.0	10.0	10.5
Number of ROV days sold	819	690	2 757
Number of ROV days available	1 183	1 052	3 924
Technical uptime on ROVs	99 %	100 %	99 %
Number of offshore personnel days sold	10 023	10 269	44 556
LTIs	0	0	0
Number of vessel days sold	660	481	2 315

# CEO Letter



The first quarter of 2025 is behind us, and once again, the Reach Subsea teams have delivered exceptional performance, marking another record-breaking start to the year.

The world continues to shift—geopolitically, economically, and environmentally. While we remain focused on what we do best: delivering high-quality services in the ocean space, we must also stay alert, agile, and ready to balance long-term commitments with the flexibility needed to navigate constant change.

We continuously evaluate our direction, priorities, and performance to ensure we remain relevant. Global uncertainty is leading to slower decision-making and uneven impacts across market segments. Still, we are confident that our strategy and service offering are well aligned with both short- and long-term needs across a broad range of industries.

This first quarter was busy, with high vessel utilization and operations spanning the globe. Our teams delivered a wide range of subsea services, including inspection, maintenance, light construction, survey, and data collection.

What I find especially fascinating is that I can follow these global operations live from my laptop, thanks to Reach Horizon, our in-house developed virtual operations centre. It enhances efficiency by enabling real-time monitoring and quality assurance from shore. Just now, I am watching our teams in Germany detecting and assisting in the removal of unexploded ordnance (UXOs) from the seabed—remnants of World War II. It is a powerful reminder of the real-world impact of our work and a great example of how we enable sustainable access to ocean space, our long-term vision.

The rapid pace of technological development continues to open new, innovative ways of delivering our services. Reach Remote is a true technological disruptor, combining a remotely operated vessel and ROV to carry out subsea work in an entirely new way. This is sustainability in action.

In the past quarter, we took delivery of Reach Remote 1 and prepared her for a pilot project with major energy companies. In early April, she set out on her maiden mission—and I admit, a few of us held our breath as she embarked on her first voyage. Now well into the second quarter, we are following her journey through Reach Horizon, where she continues to impress with her performance and reliability.

Last but certainly not least, we are proud to report record 1Q results, achieved while maintaining zero Lost Time Injuries. Safety remains our highest priority - it's the foundation that supports everything we do.

We want our teams to Reach for Performance—always, and above all, to Reach Home.

**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 Business

## 1 Our service capabilities

Delivering tailored solutions and specialised services for the global offshore industry.

### SUBSEA SERVICES

Ranging from construction and decommissioning services to specialized inspection, maintenance, and repair operations.

### SURVEY

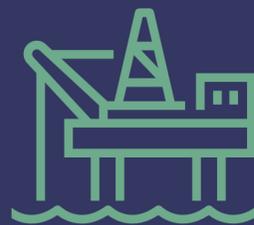
Cost-efficient high-end seabed mapping and pipeline inspection survey services.

### MONITORING

Innovative services for hydrocarbon production, CCS projects and environmental monitoring.

## 2 Serving a range of industries

Our expertise supports multiple industries, ensuring efficient and reliable operations.



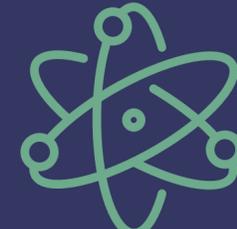
**OIL & GAS**



**OFFSHORE WIND**



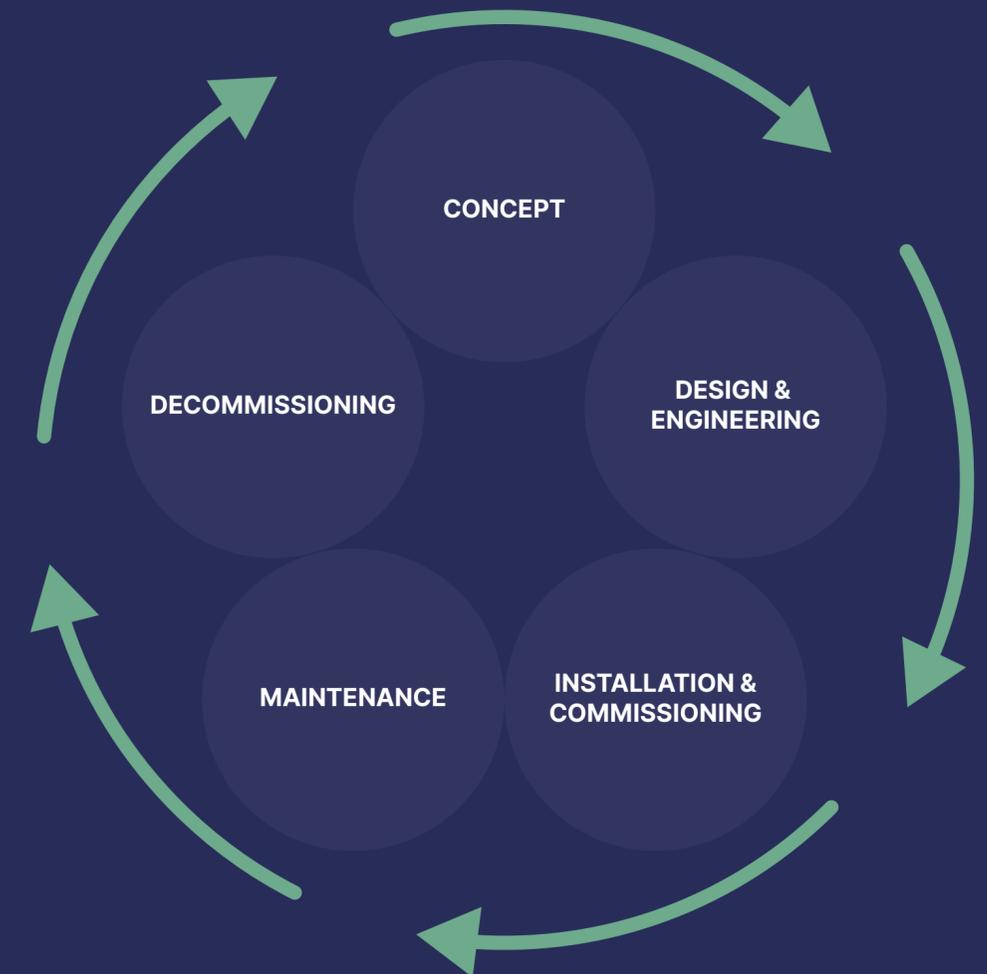
**OFFSHORE CABLES**



**EMERGING SECTORS**

## 3 Supporting projects, start to finish

We assist clients at every stage of their projects, from initial concept to decommissioning.



# Services delivered during 1Q



The overall fleet utilization in 1Q was strong, with a large variation in both work scopes and geographical distribution. Services from all business segments contributed to strong financial result.

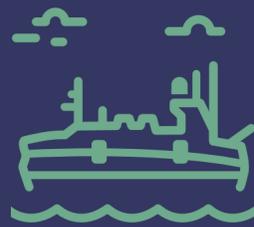
## 1Q VESSEL DAYS

Number of vessel days that passed through our P&L in 1Q 2025 was 660 (481) with a 92 % utilisation (90 %).

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

## ASSETS BY QUARTER END

**ROV availability:** As of quarter end, Reach had 11 WROV systems and two "Surveyor Interceptor" systems available for subsea operations, along with a pool of high-quality survey and monitoring equipment.



**3 (+1)\* USV SPREADS**



**8 SUBSEA SPREADS**

\* (+1) = Reach Remote 2 to be delivered 2Q.

## 1Q REVENUE SPLIT



### SECTOR

- Oil & Gas
- Renewable/Other



### SERVICE

- Data
- Solutions



### REGION

- Europe
- Americas
- Asia
- Oceania

# Seabed Investigations off Fischland-Darß-Zingst

Our team is currently undertaking an exciting and important subsea investigation off the Fischland-Darß-Zingst peninsula in the Baltic Sea. The project focuses on identifying and investigating targets on the seabed that were flagged by magnetic anomalies during earlier geophysical surveys.



Using a Remotely Operated Vehicle (ROV) equipped with a magnetic tracking system and a high-resolution camera, we are methodically investigating each target location. Where magnetic signatures are confirmed, the ROV performs visual inspections and, when necessary, we dredge the area to uncover the object. The results are varied:

- Sometimes we find nothing, as the signature may have been caused by natural seabed features.
- Other times, we uncover scrap metal, such as old ship fittings or fishing gear.
- And occasionally, we identify unexploded ordnance (UXO) — a clear reminder of the region's turbulent history.

When potential UXO is identified, it is carefully assessed by Explosive Ordnance Disposal (EOD) experts. If deemed safe to recover to the vessel, it is secured in a tageslager (blast resistant) container and returned to shore for handover to the relevant authorities for safe disposal.

The Baltic Sea, and especially the waters off the German coast, were heavily impacted by both World Wars. During and after WWII, significant quantities of munitions were dumped in the sea, either deliberately or through wartime losses. Mines, bombs, and other explosives now lie scattered across the seafloor, some still active and posing a risk to marine operations.



This makes our work not only a technical challenge but a crucial safety operation as well. Clearing UXO and metallic debris from the seabed helps ensure:

- Safe future use of the area for marine infrastructure, shipping, and fishing,
- Protection of the environment, and
- Accurate historical documentation of munitions dump sites and wartime activity.

Our team continues to carry out this work with precision, professionalism, and an unwavering focus on safety — ensuring the Baltic Sea becomes a little bit safer with each completed target.

## Key technical facts

Magnetic anomalies help locate subsea investigation sites.

ROVs inspect targets using cameras and magnetic sensors.

Dredging is used when visuals alone aren't conclusive.

Discoveries include debris, scrap metal, and live UXO.

Confirmed UXO is stored in blast-resistant Tageslager units.

WWII munitions remain active threats to sea operations.

Each cleared site boosts safety, access, and environmental health.

\*In the context of Explosive Ordnance Disposal (EOD) or UXO recovery, a Tageslager refers to a temporary holding site near the operational area where recovered items, possibly including munitions, are securely stored before being transported to a central disposal site.

# 1Q Technology developments

The first quarter in 2025 has seen a big focus on preparations for a successful Reach Remote pilot project. One of the pillars for ensuring success from an internal but also external perspective is the remote service platform Reach Horizon. Building on the momentum from 2024 the development team has had a productive quarter improving the system and adding features.

## Reach Horizon and sensor integration

Focus on integrating sensors operated by Reach.



With the Reach Remote vessels and the manned fleet being operated by collaboration partners there are other external systems that have high value to be available to users the same way as survey and ROV data. Now Reach integrates not only various cameras but also important data such as radar, AIS and ECDIS into one environment. The Horizon system supports integrating other ship sensors and components using the industry standard protocols

This collaborative work does not stop at sensors, for Reach Remote the IT team supports Kongsberg / Massterly on analysis and development of infrastructure to support remote operations. Carrier bonding, multi-node connections, bandwidth optimization, data stream optimization.

## Reach Horizon and external users

Remote operations can only be successful when data is shared efficiently.

In preparations for the Reach Remote pilot project the IT team has been working on facilitating a secured method to allow external users to log on to the portal. With almost 50 external users from multiple organizations, and with increased focus on cybersecurity, this has proven to be a longer process with different organizations requiring different solutions.

Reach can now allow external users to access data and video in real-time in a highly customizable user environment. There will continue to be focus on IT collaboration and how to keep security levels high but increase the ease of use from an IT technician's perspective.

# Chartered vessels and assets


[View online](#)

## Viking Reach

Survey, IMR and Light Construction Vessel

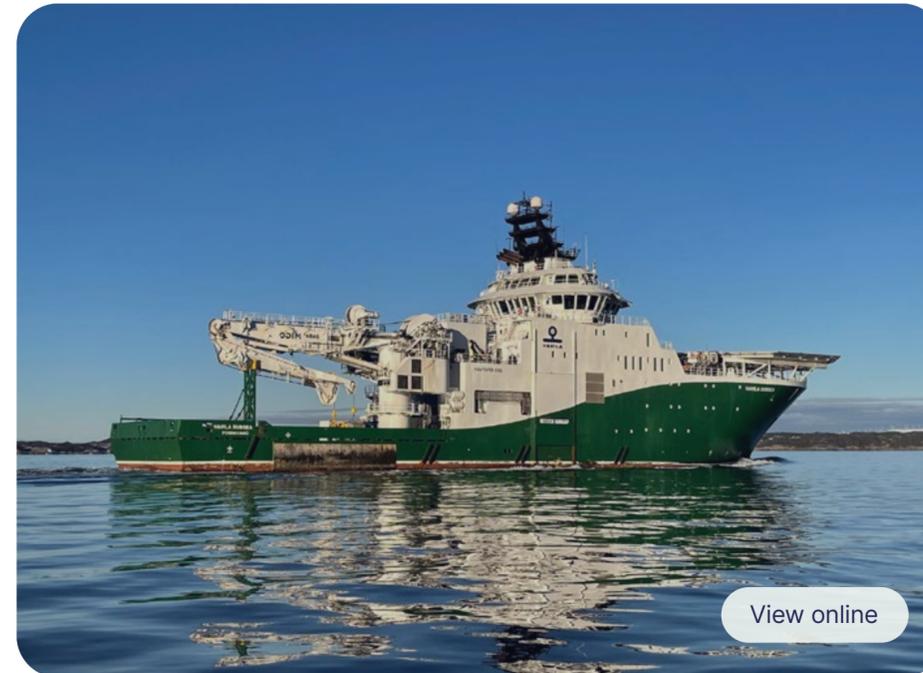
**Charter period:** April 2023 - April 2029. 3-year option.

**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

**1Q25 status:** Operations in the Black Sea throughout the quarter.


[View online](#)

## Havila Subsea

Survey, IMR and Light Construction Vessel

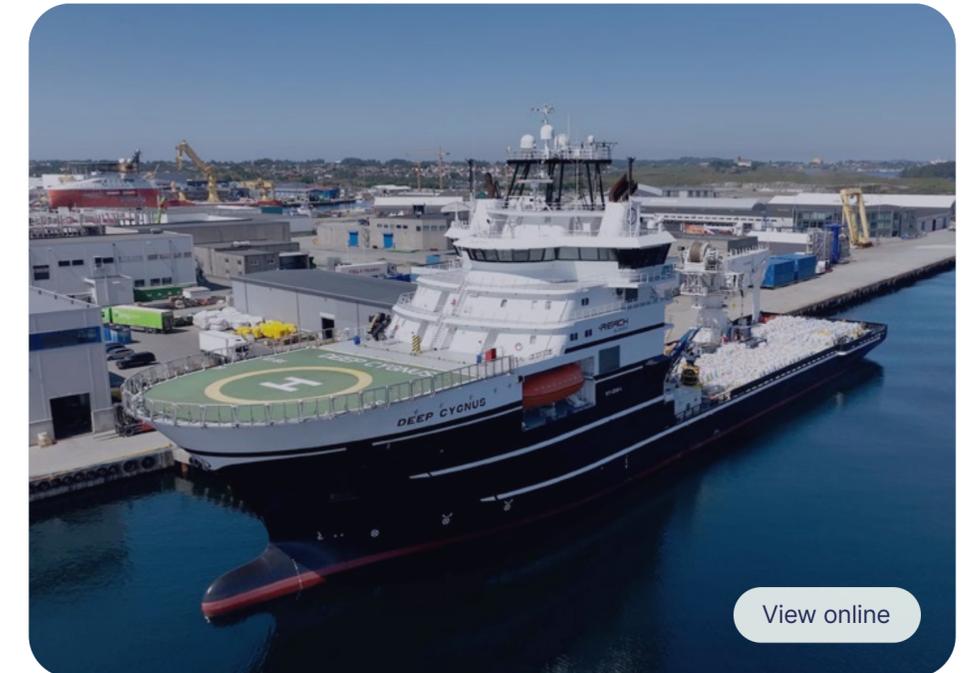
**Charter period:** June 2024 - June 2027. 2-year option.

**Vessel owner:** Havila Shipping ASA

**Crane:** 150 ton

**Assets:** 2 x Schilling HD WROV, survey equipment

**1Q25 status:** Ocean Bottom Node Operations for PX Geo in Gulf of America, followed by transit to the North Sea for docking and continued node operations for PX Geo.


[View online](#)

## Deep Cygnus

Construction Vessel

**Charter period:** April 2022 - April 2026. 1-year option.

**Vessel owner:** Volstad Maritime AS

**Crane:** 150 ton

**Assets:** 1 Supporter WROV, survey equipment

**1Q25 status:** ROV and Survey services for Nexan's cable installation project followed by IMR operations in the North Sea.

# 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

**1Q25 status:** IMR and Survey scopes in Trinidad and parts of the quarter idle.



## 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

**1Q25 status:** IMR and light construction in Ivory Coast throughout the quarter.



## Northern Maria

### Survey and IMR vessel

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

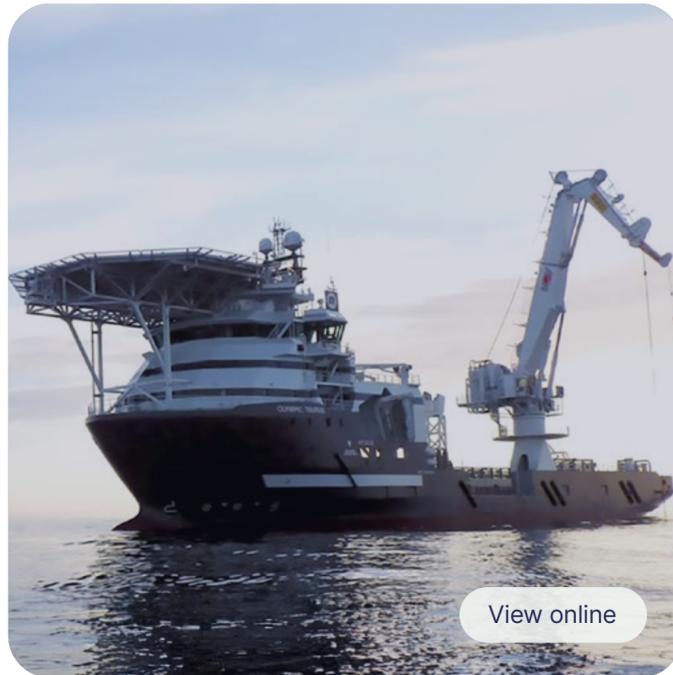
**Vessel owner:** Northern Survey Aps

**Crane:** 20 ton

**Assets:** Survey equipment

**1Q25 status:** Vessel was idle throughout the quarter without commitment to Reach Subsea for the majority of the period.

# Chartered vessels and assets


[View online](#)

## Olympic Taurus

### IMR and Light Construction Vessel

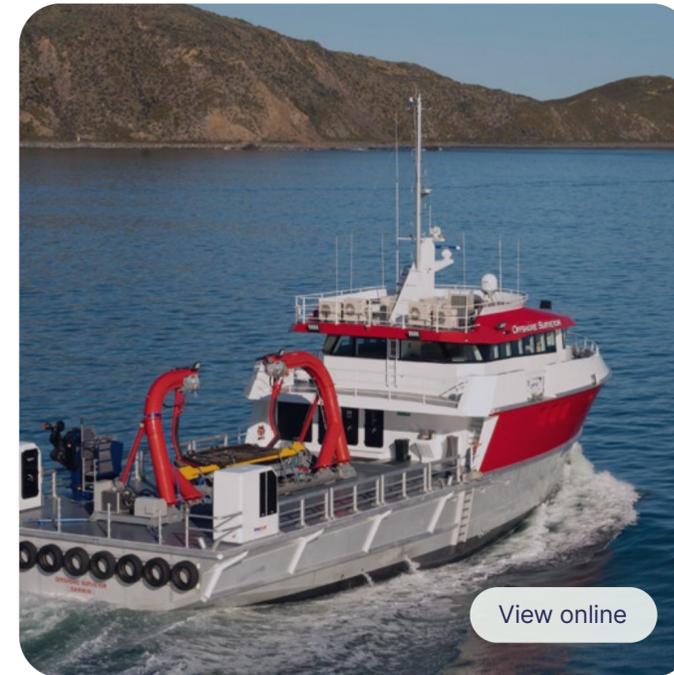
**Charter period:** April 2024 - April 2027.  
2-year option.

**Vessel owner:** Olympic Subsea ASA

**Crane:** 150 ton

**Assets:** 2 x WROV Constructors, survey equipment

**1Q25 status:** IMR operations in the North Sea followed by UXO inspection campaign for Rheinmetall in Germany.


[View online](#)

## Offshore Surveyor

### Survey Vessel

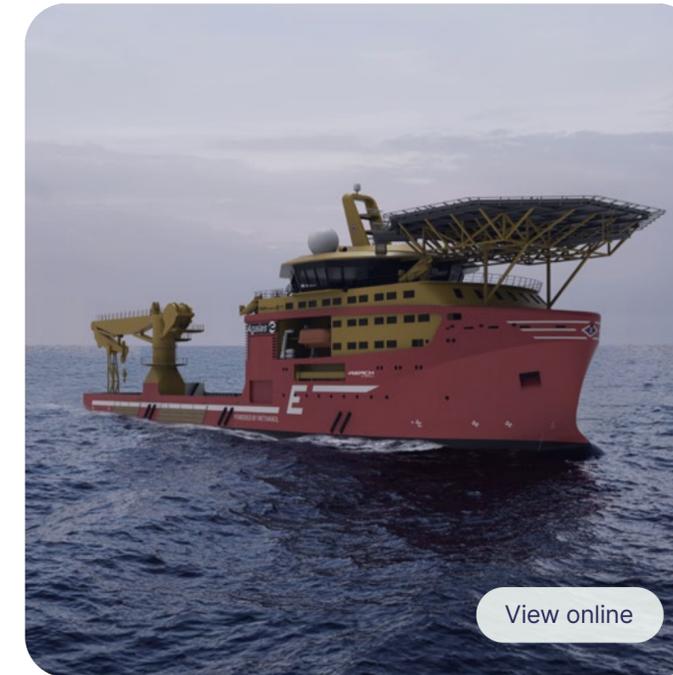
**Charter period:** June 2024 - June 2027.  
2-year option.

**Vessel owner:** Guardian Offshore AU

**Crane:** None

**Assets:** Survey equipment

**1Q25 status:** Hydrographic mapping in Offshore Wind Farm work in Australia.


[View online](#)

## Viking Vigor

### IMR and Light Construction Vessel

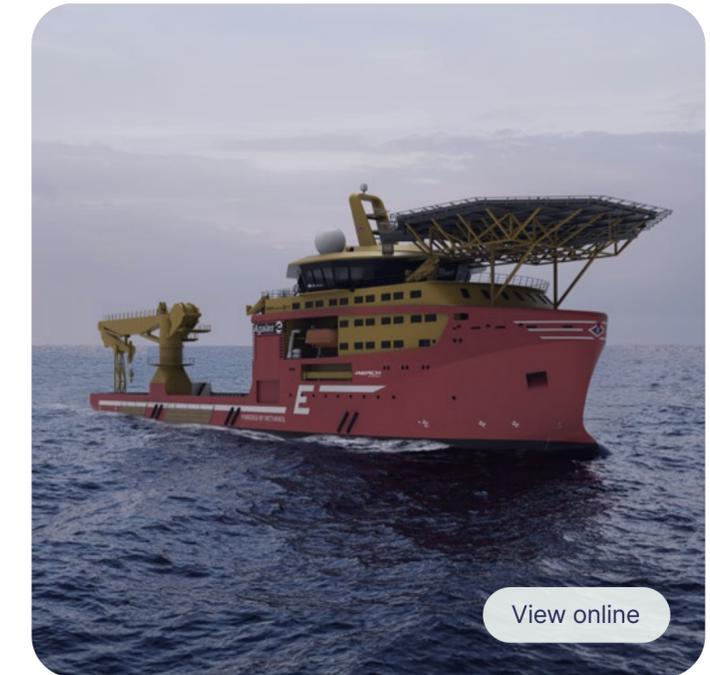
**Charter period:** 2026 →

**Vessel owner:** Eidesvik Agalas AS

**Crane:** 150 ton

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

**1Q25 status:** Under construction


[View online](#)

## Newbuild NB76

### IMR and Light Construction Vessel

**Charter period:** 2027 →

**Vessel owner:** Eidesvik Agalas AS (66.7 %)  
Reach Subsea ASA (33.3 %)

**Crane:** 150 ton

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

**1Q25 status:** Under construction

# Remote vessels



## 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.

Operating 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 1Q highlights



## Delivery of Reach Remote 1

Reach Subsea took the official delivery of Reach Remote 1 in January, confirming the successful completion of the vessel including technical installations, testing and documentation, all of which had been finalized and signed off.



## ZEEROV: Installation and Testing Ahead of Pilot Operations

Following delivery the ROV installation on Reach Remote 1 was carried out. A series of thorough harbour tests were conducted to verify functionality, safety, and performance under operational conditions. These tests included launch and recovery procedures, control system validation, and full mission trials, confirming the ROV's readiness for live operations.



## Reach Horizon: Smarter Remote Operations

The first quarter in 2025 has seen a big focus on preparations for a successful Reach Remote pilot project. One of the pillars for ensuring success from an internal but also external perspective is the remote service platform Reach Horizon.



## Commissioning of Reach Remote 2

Following the progress of Reach Remote 1, commissioning of Reach Remote 2 is well underway. Final integrations and validation tests are ongoing to ensure compliance with relevant authorities and classification requirements. Insights from the Reach Remote 1 pilot are continuously being applied to support and strengthen the development of Reach Remote 2.

# Reach Remote Pilot Project

The joint industry project for Equinor, Total and others are well underway with very good performance.

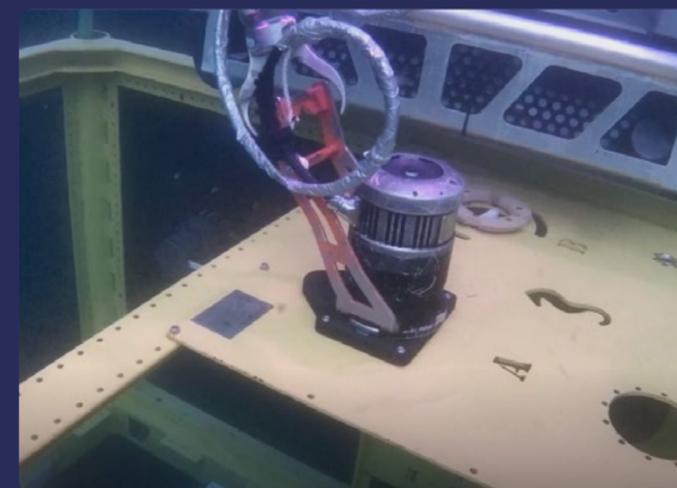
The survey activities started in early April with a calibration test and execution of nearshore portions of the scope. After seeing success the offshore scope was performed at Troll, Gullfaks and Snorre. Although all type of tasks, excluding guard vessel duties, have been successfully performed it's only the gWatch and torque tool that are fully completed as there are re-occurring scope in other areas remaining.

The overall performance have been excellent with pipeline inspection speeds up to 2.5 knots, efficient structure inspection with linked 3.4U commentary from home office and torque tool / CP stabs.

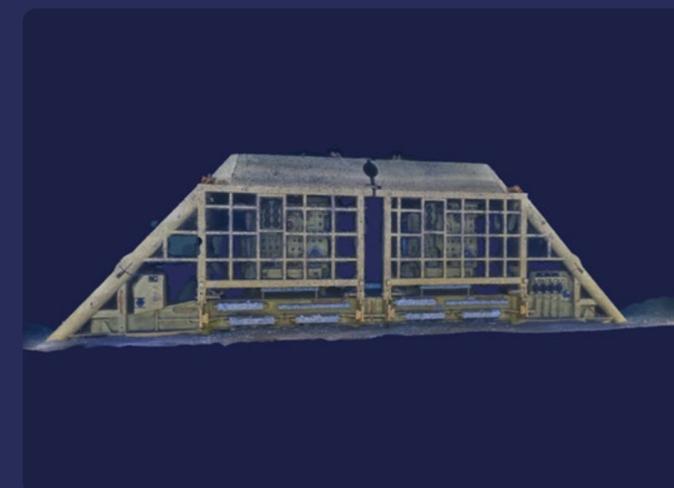


## Primary Scope of Work

- Pipeline Inspection
- Structure Inspection (including CP stab)
- gWatch Reservoir Modelling
- Seabed mapping (hull and ROV mounted)
- Environmental surveys
- Torque tool demonstration
- Guard vessel duties



Torque Tool test



Photogrammetry example



General Visual Inspection

# Sustainability within reach

Our vision 'Sustainable access to ocean space' underpins our commitment to take part in the creation of a sustainable future. Our values support and enable team members of our group to take actions in our reach for sustainability. We have a high focus on health and safety, environment, financial solidity, profitability and quality. We are constantly balancing these elements to meet the increased demand for sustainable solutions by our stakeholders. Interpretation of our values in a sustainable perspective is described on the following pages.



# ESG 1Q Summary



In the first quarter of 2025, Reach Subsea has continued to embed ESG principles across its operations, reflecting the company's commitment to transparency, resilience, and long-term sustainability.

The ESG Task Force Group has actively worked on establishing ESG targets for 2025, including defined sub-targets and associated activities.

During 1Q, we have also engaged in various sustainability forums and dialogue around the EU Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS).

While the EU announced a proposed deferral this quarter, postponing mandatory CSRD reporting for wave 2 and 3 companies (Reach as wave 2) until FY2027, the company has chosen to proceed with a voluntary transition report partially aligned with ESRS, demonstrating a proactive and committed approach. This decision underlines Reach's ambition to not only prepare for compliance, but to build robust reporting structures that support improved performance, transparency, and long-term sustainability.

During 1Q, the company also initiated cybersecurity efforts as part of its ambition to achieve ISO 27001 certification. A gap analysis was conducted in collaboration with external consultants, laying the groundwork for a structured improvement roadmap throughout 2025 and forward.

The ESG targets are tracked and reported regularly to management and the Board of Directors.

# Environmental

In 2025, Reach Subsea is shifting focus toward climate mitigation through technologies within our direct control, primarily remote operations and vessel innovation.

We aim to increase the share of our fleet classified as unmanned or modern by scaling up Reach Remote and investing in low-emission vessels. To build operational maturity, 2025 will serve as the baseline year for tracking remote operational days, with goals to complete three manned vessel projects using remote solutions and offer USV options in at least ten tenders. We continue to prioritize low-emission vessels with hybrid and SCR technology, expand the use of biodegradable oils and electric ROVs, and maintain a zero major spill target through systematic oil spill management.

## Targets for 2025 and performance year to date

### Increase proportion of fleet classified as unmanned/modern by 2025

✔ **Achieved**

Reach Remote scaleup and invest/sign unmanned/modern vessels to fleet:

**36% (4 of 11 incl. DriX)**

**New low-emission (Agalas) vessel signed, delivery 2027 (Feb)**

### Zero major spills of hazardous materials to the sea

✔ **Achieved**

Monitor all spills reported in Landax:

**Zero major spills. Five minor spills to the environment in 1Q (Aggregated spills <14L of biodegradable oil).**

### Ensure operational maturity of remote services

✔ **Achieved**

1. Set baseyear on operational days conducted by remote services/unmanned vessels):  
**Baseyear set 2025.**
2. Conduct at least 3 projects during the year where remote services are used on manned vessels:  
**3 projects YTD Sub-target completed.**
3. 10 tenders offered USV solution for full year:  
**10 YTD Sub-target completed.**

### Work more systematically with nature-related risks and impacts

🕒 **Ongoing**

Continue to promote use of environmentally friendly technology such as biodegradable oils and electric ROVs.

# Social

Reach Subsea remains committed to building a safe, inclusive, and skilled workforce.

In 2025, Reach Subsea is raising the bar on social sustainability. Our goal is zero work related injuries, zero Lost Time Injuries (LTI), and keeping personnel turnover below industry standards. Further, we are launching Reach Academy, a structured training and career development program designed to support growth and retention. We strengthen transparency and due diligence in our supply chain by updating our Transparency Act procedures and conducting internal procurement audits. To ensure compliance with fair working conditions, we hold orientation meetings and audit key processes. Our intention with these initiatives is to build a safe, strong and responsible business from the inside out.

## Targets for 2025 and performance year to date

**Maintain personnel turnover below industry average\***

✔ **Achieved**

2.3 % YTD

**LTI at 0 (IMCA benchmark)**

✔ **Achieved**

Monitor and measure incidents: **0**

**Zero work related injuries (IMCA benchmark\*\*)**

✔ **Achieved**

Monitor and measure incidents:  
**1 (Cut in hand incident)**

**Establish Reach Academy**

🕒 **Ongoing**

Develop a comprehensive personnel strategy focused on relevant educational paths and career ladders.

**Internal procurement audit compliant with RS Transparency Act procedure**

✔ **Achieved**

1. Implement updated procedure.
2. Conduct orientation meetings for communicating updated procedures (Transparency Act).
3. Audit our internal procurement function to ensure compliance with human rights and decent working conditions.

\* Personnel turnover is benchmarked against the national industry average from Statistics Norway (SSB), based on private sector figures for all ages and genders within the industry sector (SN2007: 05–33).

\*\* IMCA benchmark: Work-related injury rate = (Number of recordable injuries × 1,000,000) / Total man-hours worked.

# Governance

Robust governance mechanisms are essential for ensuring ethical and secure operations.

In 2025, Reach Subsea is prioritizing key governance initiatives to strengthen its operations. The company is enhancing its resilience against corruption and bribery by reinforcing its Code of Conduct and aiming for 90% completion of anti-corruption training through ReachED, alongside conducting targeted procurement audits to identify potential risks.

To boost cybersecurity, Reach Subsea plans to achieve 90% employee completion of ReachED cyber training and launch a comprehensive cybersecurity awareness campaign. Additionally, the company will initiate the process toward ISO27001 certification by conducting a gap analysis and following a detailed project plan and roadmap throughout the year.

## Targets for 2025 and performance year to date

### Strong corruption and bribery resilience

#### ✔ **Achieved**

1. 95% average completion rate on ReachED courses
2. 0 cases identified YTD

### Enhance cybersecurity resilience

#### ✔ **Achieved**

1. 93% average completion rate on ReachED courses
2. Cybersecurity awareness campaign scheduled for October

### Begin the process for ISO27001 certification

#### 🕒 **Ongoing**

1. Conduct gap-analysis with external consultant  
**Completed**
2. Follow ISO27001 project plan for full year:  
**Ongoing**
3. Review roadmap and prioritize gap actions:  
**Scheduled presentation of gap-analysis & roadmap Q2**

# 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 1Q2025 was NOK 698.7 million (NOK 575.3 million), with the increase from last year primarily explained with high project activity and utilisation.

Operating expenses for 1Q2025 were NOK 630.6 million (NOK 546.6 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.

1Q2025 operating result (EBIT) was NOK 68.2 million (NOK 28.7 million). The year-over-year improvement is driven by higher utilisation and improved pricing in the seasonally weak 1Q. Net financial items for 1Q2025 were NOK -0.9 million (NOK -37.6 million). The main year-over-year differences are (i) currency effects, which amounted to NOK 17.3 million (NOK -16.4 million), (ii) result from associated companies of NOK 9.3 million (NOK 0.6 million), (iii) increased interest expenses, which amounted to NOK -28.9 million (NOK -24.1 million).

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

The total comprehensive income for 1Q2025 was NOK 48.4 million (NOK 5.9 million).

For 1Q2025, Oil & Gas revenues constituted 63 % while Renewable/ Other constituted 37 % of total revenues. By comparison, in 1Q2024 Oil & Gas revenues were 48% while Renewable/ Other constituted 52 % 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.

# Capital structure



The Group's equity as of 31 March 2025 was NOK 1,291.9 million (NOK 938.0 million), which represents 39.8 % (29.4 %) of the total balance sheet. The increased equity is explained by generated comprehensive income over the last 12 months, NOK 179 million in new equity from Wilhelmsen New Energy's exercise of warrants, and partly offset by dividends paid in 2Q2024.

Total current assets at the end of the quarter were NOK 1,088.6 million (NOK 877.1 million), of which cash and cash equivalents amounted to NOK 326.8 million (NOK 201.1 million). Including the unutilized revolving credit facility, available liquidity was NOK 356.8 million (NOK 231.1 million).

Receivables and inventories were NOK 761.8 million (NOK 676.0 million). Total non-interest-bearing current liabilities were NOK 534.5 million (NOK 527.2 million). This leaves a net working capital of NOK 227.3 million (NOK 148.8 million).

Total non-current assets at the end of the year were NOK 2,157.1 million (NOK 2,314.2 million). The reduction is mainly a result of a decline in Right of use assets (leases capitalised under IFRS16) of NOK 452.6 million, offset by an increase in tangible non-current assets of NOK 264.5 million.

For details related to non-current assets, please see the Notes.

Net interest-bearing debt (total interest-bearing debt, including capitalized leases under IFRS 16, less cash) stood at NOK 1,092.6 million (NOK 1,525.0 million). The reduction is explained by reduced commitment as a result of less remaining time on existing, active, charter parties. Net financial interest-bearing debt to credit institutions (i.e. excluding IFRS 16 leases) was NOK -116.6 million (NOK -107.3 million), i.e. cash positive.

Net cash flow from operating activities for 1Q2025 was NOK 240.6 million (NOK -43.9 million) with the improvement explained by higher profits, and amplified by working capital effects.

Net cash flow from investing activities for 1Q2025 was NOK -93.2 million (NOK -83.3 million). This figure is related to Purchase of fixed assets related to general equipment upgrades, mobilizations and general investments.

Net cash flow from financing activities for 1Q2025 was NOK -85.0 million (NOK -119.4 million) and includes vessel charter hire classified as "Repayment of borrowings and leases" according to IFRS 16.

Net change in cash and cash equivalents for 1Q2025 was NOK 62.3 million (NOK -246.6 million). Reach has per 31 March 2025 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.

Details about investments and current and expected commitments are described in note 13 in this report.

## The Share



Reach Subsea ASA is listed on the Oslo Stock Exchange (Euronext). The Company has per 31 March 2025 issued 327,377,982 (271,769,245) shares, of which the majority is owned by Norwegian shareholders. The increased number of shares compared with 31 March 2024 is related to (i) a share increase of 54,593,737 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](http://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](http://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



## New contracts

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.

Our schedule indicates good utilization for all our subsea spreads well into the start of the season of 2025. We now have an order book of approximately NOK 1.3 billion (NOK 1.3 billion), with projects for execution in 2Q2025 and beyond. These contracts cover a wide spectrum of project types and are across both oil & gas and renewables projects and are included in the “Operational update” in this report. These figures do not include options and expected call-off extensions under frame agreements, which from experience can constitute significant additional work.



## Reach Remote 1 has entered its pilot phase

Reach Remote 1 is currently in the pilot phase – a major milestone in bringing our next-generation remote technology into real-world operations.

The pilot project is carried out together with Equinor, TotalEnergies, and other major energy companies, and includes a wide range of relevant survey, ROV intervention, IMR, and monitoring-related work scopes. These activities are demonstrating the full capacity of the Reach Remote spread as part of a full-scale operation, 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 1.3 billion (NOK 1.3 billion)**

With projects extending well into the first six months of 2025 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 10.0 billion (NOK 10.0 billion).**

# Outlook

As we progress through 2025, Reach Subsea is well-positioned to navigate a dynamic market shaped by uncertainty and opportunity. Geopolitical shifts, economic volatility, and environmental pressures drive uneven momentum across sectors. In this landscape, adaptability and resilience are key—and we remain focused on aligning our services with evolving market needs to stay relevant and deliver value.

We support a broad range of industries, including oil & gas, offshore wind, subsea cables, and emerging markets such as carbon storage, environmental monitoring, and subsea minerals. While some segments are experiencing delays due to broader industry shifts, other segments are driving increased demand for advanced subsea capabilities in both the short and long term.

Each sector presents its own challenges, but also meaningful opportunities for growth. Reach Subsea is well-placed to meet this demand, thanks to our deep expertise and continued investment in technology. Our competitive edge is particularly strong in data gathering, inspection, and monitoring—core services that are increasingly critical across several industries.

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

- **Technology & Remote Operations** – We are developing and deploying tools that enhance remote capabilities across both our conventional fleet and the Reach Remote USVs, improving efficiency and broadening our service offering.
- **Fleet & Equipment Investments** – Long-term vessel charters and strategic upgrades to our subsea equipment ensure we remain agile, scalable, and ready to meet evolving client needs.
- **Organizational Strength** – Targeted recruitments have bolstered our project execution capacity in an increasingly complex and competitive market.

A major milestone in 2025 will be the full commercial launch of Reach Remote 1 and 2. Market interest in remote subsea operations is strong, and our ongoing pilot projects with key clients are validating both the concept and its capabilities. The Reach Remote solution is proving to be commercially attractive—and continues to gain traction by the day.

## Looking ahead, our strategic focus includes:

- Scaling remote operations across both USVs and conventional spreads
- Expanding our footprint in high-growth and emerging subsea sectors
- Delivering integrated services that combine technology, operational excellence, and add client value

With a solid financial foundation, growing demand for remote and sustainable solutions, and a clear path forward, 2025 is set to be a pivotal year as Reach Subsea continues shaping the future of subsea operations.



Oslo, 7 May 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



# Income statement

Statement of profit or loss (NOK 1000)	1Q 2025	1Q 2024	12M 2024	Notes
Operating revenue	698 735	575 271	2 717 024	9
Other income/losses	-	-	678	3
<b>Revenue</b>	<b>698 735</b>	<b>575 271</b>	<b>2 717 702</b>	
Procurement expenses	(187 864)	(194 508)	(756 600)	
Personnel expenses	(145 842)	(101 750)	(499 313)	7
Other operating expenses	(72 628)	(73 353)	(291 890)	
<b>EBITDA</b>	<b>292 403</b>	<b>205 660</b>	<b>1 169 899</b>	
Depreciation and impairment	(224 249)	(176 981)	(806 143)	3, 10
<b>Operating result (EBIT)</b>	<b>68 153</b>	<b>28 679</b>	<b>363 756</b>	
Result from associated companies	9 267	620	13 750	12
Interest income	1 412	2 305	7 556	11
Interest expenses	(28 867)	(24 080)	(122 180)	10, 11
Other net financial items	17 259	(16 443)	(32 874)	11
<b>Profit (loss) before taxes</b>	<b>67 225</b>	<b>(8 920)</b>	<b>230 009</b>	
Income taxes	(13 178)	13 154	(24 575)	8
<b>Profit (loss)</b>	<b>54 048</b>	<b>4 235</b>	<b>205 434</b>	

Comprehensive income (NOK 1000)	1Q 2025	1Q 2024	12M 2024	Notes
Translation differences	(5 676)	1 632	445	
<b>Comprehensive income items</b>	<b>(5 676)</b>	<b>1 632</b>	<b>445</b>	
<b>Total comprehensive income</b>	<b>48 371</b>	<b>5 867</b>	<b>205 879</b>	
Earnings per share	0.18	0.02	0.78	
Diluted earnings per share	0.17	0.02	0.68	

# Balance Sheet

Statement of financial position (NOK 1000)	31.03.2025	31.03.2024	31.12.2024	Notes
<b>Non-current assets</b>				
Goodwill	109 590	109 590	109 590	4
Deferred tax assets	27 913	13 604	34 920	8
Intangible assets	23 818	29 379	25 209	4
Investment in associated companies	136 418	114 092	127 221	12
Assets under construction	257 307	305 600	369 475	3
Vessels	166 317	-	-	3
Property, plant and equipment	324 563	178 102	298 598	3
Right-of-use assets	1 111 216	1 563 854	1 269 637	3,10
<b>Total non-current assets</b>	<b>2 157 141</b>	<b>2 314 221</b>	<b>2 234 649</b>	
<b>Current assets</b>				
Bunkers	27 677	21 287	18 768	
Trade receivables	672 117	594 560	651 079	
Other receivables	62 020	60 159	65 184	
Cash and cash equivalents	326 770	201 090	278 022	
<b>Total current assets</b>	<b>1 088 583</b>	<b>877 096</b>	<b>1 013 053</b>	
<b>Total assets</b>	<b>3 245 724</b>	<b>3 191 317</b>	<b>3 247 702</b>	

Statement of financial position (NOK 1000)	31.03.2025	31.03.2024	31.12.2024	Notes
<b>Equity</b>				
Share capital	327 378	271 769	282 671	6
Share premium	514 046	388 273	412 114	
Proposed dividends	137 499	97 837	137 499	
Other equity	312 992	180 135	259 630	7
<b>Total equity</b>	<b>1 291 916</b>	<b>938 015</b>	<b>1 091 913</b>	
<b>Non-current liabilities</b>				
Interest-bearing debt to credit institutions	181 837	79 062	121 593	5, 10
Interest-bearing debt, leases	498 216	1 025 106	621 185	5, 10
<b>Total non-current liabilities</b>	<b>680 052</b>	<b>1 104 168</b>	<b>742 779</b>	
<b>Current liabilities</b>				
Interest-bearing debt to credit institutions, short term	28 329	14 706	22 996	5, 10
Interest-bearing debt, leases	710 952	607 212	791 086	5, 10
Tax payable	40 600	48 148	52 963	8
Trade payables	142 642	205 683	243 021	
Other current liabilities	351 234	273 387	302 944	
<b>Total current liabilities</b>	<b>1 273 756</b>	<b>1 149 135</b>	<b>1 413 011</b>	
<b>Total liabilities</b>	<b>1 953 809</b>	<b>2 253 303</b>	<b>2 155 789</b>	
<b>Total equity and liabilities</b>	<b>3 245 724</b>	<b>3 191 317</b>	<b>3 247 702</b>	

# Cash flow

Statement of cash flow (NOK 1000)	1Q 2025	1Q 2024	12M 2024	Notes
<b>Cash flow from operating activities</b>				
Profit before tax	67 225	(8 920)	230 009	
Paid taxes	(18 313)	(4 098)	(50 767)	
Depreciation and amortisation	224 249	176 981	806 143	
Interest income	(1 412)	(2 305)	(7 556)	
Interest expense	28 867	24 080	122 180	
Change in trade receivables	(21 038)	(280 394)	(336 913)	
Change in trade payables	(22 029)	20 511	6 746	
Change in other provisions	(12 723)	26 688	90 311	
Investments accounted for using the equity method	(9 267)	(620)	(13 750)	
IFRS 2 share-based payments	4 991	4 142	21 124	
<b>Net cash flow from operating activities</b>	<b>240 550</b>	<b>(43 933)</b>	<b>867 527</b>	
<b>Cash flow from investing activities</b>				
Payments related to the acquisition of Guardian Geomatics	-	-	(34 312)	
Purchase of fixed assets	(93 194)	(83 323)	(262 814)	
<b>Net cash flow from investing activities</b>	<b>(93 194)</b>	<b>(83 323)</b>	<b>(297 126)</b>	

(NOK 1000)	1Q 2025	1Q 2024	12M 2024	Notes
<b>Cash flow from financing activities</b>				
Proceeds from issuance of ordinary shares	146 640	-	34 741	
Proceeds from bank loan	33 944	27 500	55 000	
Payment of dividends	-	-	(97 837)	
Repayment of interest bearing debt to credit institutions	(5 505)	(1 326)	(9 729)	
Repayment of interest bearing debt, leases	(232 662)	(123 773)	(614 296)	
Interests paid on interest bearing debt, leases	(25 536)	(22 963)	(112 798)	
Net interest paid - other items	(1 919)	1 188	(1 826)	
<b>Net cash flow from financing activities</b>	<b>(85 038)</b>	<b>(119 374)</b>	<b>(746 745)</b>	
<b>Net change in cash and cash equivalents</b>	<b>62 318</b>	<b>(246 630)</b>	<b>(176 344)</b>	
Cash and cash equivalents in the start of the period	278 022	436 423	436 423	
Translation differences	(13 571)	11 297	17 943	
<b>Cash and cash equivalents in the end of the period</b>	<b>326 770</b>	<b>201 090</b>	<b>278 022</b>	

# Equity

(NOK 1000)	Share capital	Share premium	Proposed dividends	Other reserves	Retained earnings	Total
Equity 1 January 2025	282 671	412 114	137 499	31 913	227 716	1 091 913
Profit for the year					54 048	54 048
Other comprehensive income for the year					(5 676)	(5 676)
<b>Total comprehensive income for the year</b>					<b>48 371</b>	<b>48 371</b>
Proceeds from shares issued	44 707	101 933				146 640
IFRS 2 share-based payments				4 991		4 991
<b>Equity 31 March 2025</b>	<b>327 378</b>	<b>514 046</b>	<b>137 499</b>	<b>36 905</b>	<b>276 088</b>	<b>1 291 916</b>

# 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](http://www.newsweb.no)) or the company's web page ([www.reachsubsea.com](http://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 2024.

# Notes

## Note 3 - Fixed assets

Asset category	Assets under construction	Vessels	Property plant and equipment			Right-of-use assets		
Fixed assets (NOK 1000)	Assets under construction	Vessels	ROV and ROV equipment	ROV, leased from financial institutions	Equipment and office machinery	Right of use asset Vessel and other equipment	Total	
Purchase cost 01.01.25	369 475	-	207 694	211 436	240 701	2 322 198	3 351 503	
Additions	57 886	-	2 768	48 859	875	36 099	146 486	
Reclassifications	(170 052)	170 000	-	-	52	-	0	
Disposals/adjusted commitment	-	-	-	-	-	(1 826)	(1 826)	
<b>Purchase cost 31.03.25</b>	<b>257 307</b>	<b>170 000</b>	<b>210 462</b>	<b>260 295</b>	<b>241 627</b>	<b>2 356 470</b>	<b>3 496 163</b>	
Accumulated depreciation 31.03.25	-	(3 683)	(162 433)	(117 861)	(107 527)	(1 245 254)	(1 636 758)	
Accumulated impairment 31.03.25	-	-	-	-	-	-	-	
<b>Net book value 31.03.25</b>	<b>257 307</b>	<b>166 317</b>	<b>48 029</b>	<b>142 434</b>	<b>134 100</b>	<b>1 111 215</b>	<b>1 859 402</b>	
Depreciation in 2025	-	(3 683)	(4 224)	(3 399)	(18 616)	(192 937)	(222 859)	
Depreciation recognised as contract asset in 2025	-	-	-	-	-	-	-	
Impairment in 2025	-	-	-	-	-	-	-	
Expected useful life (years)		5-30	3-8	3-8	3-5	1-3		
Depreciation plan	Ongoing projects	Linear	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	206 415
Other capex-projects and mobilizations	50 892
<b>Net book value 31.03.25</b>	<b>257 307</b>

### 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 March 2025 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 %	26 462
20 %	45 484
30 %	84 153

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 01.01.25	2 372	32 000	109 590	143 962
Additions	-	-	-	-
Disposals/adjustments	-	-	-	-
<b>Purchase cost 31.03.25</b>	<b>2 372</b>	<b>32 000</b>	<b>109 590</b>	<b>143 962</b>
Accumulated depreciation 31.03.25	(512)	(10 041)	0	(10 553)
<b>Net book value 31.03.25</b>	<b>1 860</b>	<b>21 959</b>	<b>109 590</b>	<b>133 408</b>
<b>Depreciation in 2025</b>	<b>(57)</b>	<b>(1 333)</b>	<b>0</b>	<b>(1 390)</b>
<b>Depreciation plan</b>	<b>Linear</b>	<b>Linear</b>		
<b>Estimated useful life</b>	<b>5-10 years</b>	<b>6 years</b>	<b>Indefinite</b>	

Research and development are related to development of software/equipment related to the company's ASUMO project. As of 31 March 2025 the group has net book values for R&D totalling 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 March 31 2025 the market value exceeds the carrying amount of equity, and no impairment indicators have been identified.

# Notes

## Note 5 - Borrowings

(NOK 1000)	31.03.2025	31.12.2024
<b>Non-current liabilities</b>		
Bank borrowings (including capitalized loan costs)	101 552	67 538
Lease liabilities to credit institutions	80 285	54 055
Other non-current lease liabilities (IFRS 16)	498 216	621 185
<b>Total non-current borrowings</b>	<b>680 052</b>	<b>742 779</b>
<b>Current borrowings</b>		
Bank borrowings (including capitalized loan costs)	12 212	14 156
Lease liabilities to credit institutions	16 117	8 840
Other current lease liabilities (IFRS 16)	710 952	791 086
<b>Total current interest-bearing debts</b>	<b>739 281</b>	<b>814 082</b>
<b>Carrying amount</b>		
Bank borrowings	113 764	81 695
Lease liabilities	1 305 570	1 475 166
<b>Total carrying amount</b>	<b>1 419 334</b>	<b>1 556 861</b>
<b>Fair value</b>		
Bank borrowings	113 764	81 695
Lease liabilities	1 305 570	1 475 166
<b>Total fair value</b>	<b>1 419 334</b>	<b>1 556 861</b>

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 were 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 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 March 2025 the liquidity position (including overdraft facility) is 356.8 million, the Debt service Coverage Ratio is 6.1, and Booked equity NOK 1 292 million/40 %. 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 113.8 million (2024: NOK 81.7 million). Bank borrowings are secured by equipment and receivables of the group.

# Notes

## Note 6 - Shareholders

20 largest shareholders as per 31.03.25	Shares	Stake
WILHELMSSEN NEW ENERGY AS	96 844 009	29.6 %
NORTH INDUSTRIES 1 AS	50 832 449	15.5 %
SURVEY HOLDING AS	29 116 897	8.9 %
J.P. MORGAN SE	12 340 027	3.8 %
CITIBANK, N.A.	11 602 262	3.5 %
HOLME HOLDING AS	6 180 000	1.9 %
JT INVEST AS	6 039 539	1.8 %
NORMAND DRIFT AS	5 000 000	1.5 %
PERSHING LLC	3 940 843	1.2 %
LION INVEST AS	3 769 928	1.2 %
FJORD & ATOLL SOSYFR AS	3 654 482	1.1 %
RARA AS	3 654 482	1.1 %
SBASSEJORD AS	3 654 482	1.1 %
CACEIS BANK	3 650 000	1.1 %
ALTEA AS	2 973 658	0.9 %
DANSKE INVEST NORGE VEKST	2 538 712	0.8 %
STAVA INVEST AS	2 193 426	0.7 %
BARRUS CAPITAL AS	2 110 090	0.6 %
RMS INVEST AS	2 000 000	0.6 %
JAKOB HATTELAND HOLDING AS	2 000 000	0.6 %
<b>Total 20 largest</b>	<b>254 095 286</b>	<b>77.6 %</b>
Others	73 282 696	22.4 %
<b>Total</b>	<b>327 377 982</b>	<b>100.0 %</b>

Reach Subsea's share capital amounts to NOK 327,377,982 divided into 327,377,982 shares, each with a nominal value of NOK 1.

On 5 March 2025 Wilhelmsen New Energy AS exercised its remaining 44,707,373 warrants with a strike of NOK 3.28 per share in Reach Subsea ASA. Following the exercise, Wilhelmsen no longer holds any remaining warrants in the Company.

# Notes

## Note 7 - Share-based remuneration

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 %

**Total grant date value:** NOK 55 million

As of 1Q2025 the Company has recognized a total of NOK 4.8 million in cost related to the options (including social security tax).

# Notes

## Note 8 - Tax

(NOK 1000)	01.01 - 31.03 2025	01.01 - 31.03 2024	01.01 - 31.12 2024
Taxes payable	6 171	11 017	70 061
Changes in deferred taxes	7 007	(24 171)	(45 487)
<b>Taxes, in total</b>	<b>13 178</b>	<b>(13 154)</b>	<b>24 575</b>
<b>Deferred taxes / (Deferred tax assets)</b>			
<b>Temporary differences</b>	<b>31.03 2025</b>	<b>31.03 2024</b>	<b>31.12 2024</b>
Other fixed assets	(28 634)	(9 815)	(19 083)
Financial leases	46 089	18 409	30 648
Inventories	(934)	(934)	(934)
Accruals	(45 496)	(19 642)	(35 117)
Right-of-use assets	(98 028)	(68 478)	(142 657)
Intangible assets	54 608	70 742	58 642
Tax loss carried forward Norway	-	-	-
Tax loss carried forward outside of Norway	(72 837)	(73 528)	(67 650)
Temporary differences, in total	(145 231)	(83 247)	(176 151)
Deferred tax assets	(27 913)	(13 604)	(34 920)
Not recognized deferred tax assets	-	-	-
Deferred tax assets in balance sheet*	27 913	13 604	34 920

\*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)	01.01 - 31.03 2025	01.01 - 31.03 2024	01.01 - 31.12 2024
<b>Reconciliation from nominal to actual tax rate</b>			
Profit & loss before taxes	67 225	(8 920)	230 009
Nominal tax rate	22 %	22 %	22 %
Anticipated income tax due to nominal tax rate	14 790	(1 962)	50 602
Actual tax cost	13 178	(13 154)	24 575
Deviation	(1 612)	(11 192)	(26 027)
Tax effects of:			
Permanent differences	1 769	(533)	14 716
Effect of tax rates outside Norway different from 22%	(157)	359	(55)
Changes in deferred tax assets, not recognized	-	-	-
Changes in deferred tax assets, previously not recognized	-	11 366	11 366
<b>Explanation</b>	<b>1 612</b>	<b>11 192</b>	<b>26 027</b>
Effective tax rate	20 %	147 %	11 %
<b>Payable taxes in the balance sheet</b>	<b>31.03 2025</b>	<b>31.03 2024</b>	<b>31.12 2024</b>
Payable taxes in the tax charge	(6 171)	(11 017)	(63 750)
Advances paid on tax charge	-	501	11 407
Tax payable previous years	(34 429)	(37 632)	(620)
<b>Payable taxes in the balance sheet</b>	<b>(40 600)</b>	<b>(48 148)</b>	<b>(52 963)</b>

All companies are subject to ordinary taxation, except Reach Subsea Shipping AS and Reach Remote AS which is taxed in the tonnage tax regime.

# Notes

## Note 9 - Segments

(NOK 1000)	01.01 - 31.03 2025	01.01 - 31.03 2024	01.01 - 31.12 2024
<b>Operating revenue</b>			
Oil & Gas	438 411	274 472	1 774 661
Renewable / other	260 324	300 799	942 363
<b>Total</b>	<b>698 735</b>	<b>575 271</b>	<b>2 717 024</b>
<b>Revenue by region</b>			
Norway	31 139	58 474	841 375
Europe	177 033	309 397	943 254
Americas	192 068	152 922	644 997
Asia	3 794	35 810	136 732
Oceania	67 770	18 517	150 576
Other*	226 932	150	90
<b>Total</b>	<b>698 735</b>	<b>575 271</b>	<b>2 717 024</b>
<b>Revenue by type of service</b>			
Data	106 602	210 108	1 022 239
Solutions	592 133	365 163	1 694 785
<b>Total</b>	<b>698 735</b>	<b>575 271</b>	<b>2 717 024</b>

\* 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 March 2025, 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 2025:

<b>Right-of-use assets</b>	<b>31.03.2025</b>	<b>31.12.2024</b>
Property plant and equipment	1 111 216	1 269 637
<b>Total</b>	<b>1 111 216</b>	<b>1 269 637</b>

<b>Lease liabilities</b>	<b>31.03.2025</b>	<b>31.12.2024</b>
Current	710 952	791 086
Non current	498 216	621 185
<b>Total</b>	<b>1 209 168</b>	<b>1 412 271</b>

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

	<b>1Q 2025</b>	<b>1Q 2024</b>	<b>12M 2024</b>
Depreciation charge of right-of use assets	192 937	160 482	724 159
Depreciation recognised as contract asset	-	-	-
Impairment charge of right-of-use assets	-	-	-
Interest expense	25 536	22 963	112 798
<b>Total charges to the P&amp;L</b>	<b>218 473</b>	<b>183 445</b>	<b>836 958</b>

The total cash outflow for leases in 1Q2025 was NOK 253.2 million (1Q2024: 146.7 million).

# Notes

## Note 10 - Leasing continued

Reconciliation of leases on committed days recognised in 2025:	Right-of use assets	Lease liability, non-current	Lease liability, current
Opening balance 01.01.2025	1 269 637	621 185	791 086
Additions	36 099	-	36 099
Additions from business combination (note 14)	-	-	-
Disposals	-	-	-
Depreciation of right-of-use-assets	(192 937)	-	-
Impairment	-	-	-
Interests	-	-	25 536
Reclassification from long to short term	-	(121 295)	121 295
Adjusted commitment	(1 583)	(1 675)	-
Currency adjustment	-	-	(44 972)
Payments	-	-	(218 090)
<b>Ending balance 31.03.2025</b>	<b>1 111 216</b>	<b>498 215</b>	<b>710 952</b>

Reconciliation of depreciation	1Q 2025	1Q 2024	12M 2024
Depreciation of long term right-of-use assets	163 452	132 065	625 764
Depreciation of short term right-of-use assets	29 485	28 417	98 396
Depreciation recognised as contract asset	-	-	-
Depreciation of other assets	31 310	16 500	81 984
<b>Total depreciation</b>	<b>224 249</b>	<b>176 981</b>	<b>806 143</b>

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	1Q 2025	1Q 2024	12M 2024
Interest income on short term bank deposits	1 412	2 305	7 556
<b>Total interest income</b>	<b>1 412</b>	<b>2 305</b>	<b>7 556</b>
Interest expense on bank borrowings	(3 331)	(744)	(7 208)
IFRS 16 interest expense	(25 536)	(22 963)	(112 798)
Other interest expense	-	(373)	(2 173)
<b>Total interest expense</b>	<b>(28 867)</b>	<b>(24 080)</b>	<b>(122 180)</b>
Net foreign exchange expense/income	(27 482)	15 420	26 597
Currency adjustment related to IFRS 16	44 972	(31 711)	(59 957)
Other finance costs	(235)	(152)	482
<b>Total Other net financial items</b>	<b>17 259</b>	<b>(16 443)</b>	<b>(32 874)</b>
<b>Net financial items</b>	<b>(10 195)</b>	<b>(38 218)</b>	<b>(147 498)</b>

## 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:	31.03.2025	31.03.2024	31.12.2024
Opening balance carrying amount of investments in associates	127 221	113 452	113 452
Acquisition cost shares acquired, Eidesvik Reach AS	-	-	-
Acquisition cost shares acquired through business combination, Guardian Geomatics Arabia Limited	-	-	-
Translation differences	(71)	20	19
Share of net result in investment, Eidesvik Reach AS	9 267	620	13 750
Share of net result in investment, Guardian Geomatics Arabia Limited	-	-	-
<b>Total carrying amount of investments in associates at balance date</b>	<b>136 417</b>	<b>114 092</b>	<b>127 221</b>
Specification of net result from investment in associates recognised in the income statement:			
Share of net result in investment, Eidesvik Reach AS	9 267	620	13 750
Share of net result in investment, Guardian Geomatics Arabia Limited	-	-	-
<b>Net result from investments in associates</b>	<b>9 267</b>	<b>620</b>	<b>13 750</b>

# Notes

## Note 13 - Commitments

The Reach Remote project is expected to amount to approximately NOK 473 million. The first vessel, Reach Remote 1, was delivered from the yard in January 2025. Thereafter the vessel was mobilized with eROV and had upgrades and adjustments until early April 2025. Reach Remote 2 is under construction with expected delivery later this year.

As of 31 March 2025 the company has capitalized NOK 257.3 million as Asset under construction. In addition, the company has financed two eROVs through leasing. As per quarter end both eROVs are under construction, and costs not recognised related to the eROVs amount to NOK 68 million. The eROVs will be recognised in the balance sheet at commencement date.

Reach currently has eight vessels on time charter commitment, and further two newbuilds will enter into our chartered fleet in 2026 and 2027 respectively. As of 31 March 2025 remaining committed and planned investments including equipment, upgrades and mobilization for this fleet is estimated to NOK 250 million. Reach has secured bank and lease financing to partly fund these investments.

On 20 February 2025 Reach Subsea, in partnership with Eidesvik Offshore and Agalas, signed a contract for a new, modern IMR/Survey vessel. The vessel will be jointly owned, with Reach Subsea holding a one-third stake and an entity owned by Eidesvik and Agalas, controlled by Eidesvik, holding the remaining two-thirds. The vessel is scheduled for delivery in spring 2027. Reach Subsea's equity investment is estimated to NOK 125 million, and is planned to be financed through existing cash reserves and operational cash flow.

## 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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