OSLO BØRS

Oslo Børs ASA
Tollbugata 2
NO-0152 Oslo
Norge

Sendt pr e-post: obligasjoner@euronext.com

**Dato:** *18.09.25*

**Søknad om registrering av obligasjonslån på Nordic ABM**

Vi søker herved på vegne av utsteder *Geoquip Marine Services P.L.C* om notering på Nordic ABM av obligasjonslån med ISIN *NO0013511121.*
Lånets navn er *Geoquip Marine Services P.L.C 9.25% senior secured EUR 200,000,000 bonds 2025/2029*

Emittert beløp ble *EUR 100,000,000*, og er fullt innbetalt.

Noteringsdokument for lånet vil være tilgjengelig på https://live.euronext.com

Kontaktperson for utsteder (e-post): *david.hunter@geoquip-marine.com*

For øvrig vises det til de dokumenter som nevnt i ABM-reglene pkt. 2.7 som vi tidligere har oversendt i denne forbindelse.

DocuSigned by:
Stewart Higginson
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Signatur utsteder/tilrettelegger: ______________________________________________

OSLO BØRS

MS Word generated English translation of the previous page:

Oslo Børs ASA
Tollbugata 2
NO-0152 Oslo
Norway

Sent by e-mail: obligasjoner@euronext.com

*18.09.25*

**Application for registration of bonds on Nordic ABM**

We hereby apply on behalf of the issuer Geoquip Marine Services P.L.C for listing on Nordic ABM of bonds with ISIN NO0013511121. The name of the loan is Geoquip Marine Services P.L.C 9.25% senior secured EUR 200,000,000 bonds 2025/2029

The issued amount was EUR 100,000,000 and has been paid in full.

A listing document for the loan will be available on https://live.euronext.com

Contact person for issuer (e-mail): david.hunter@geoquip-marine.com

Reference is also made to the documents mentioned in section 2.7 of the ABM Rules that we have previously submitted in this regard.

DocuSigned by:

Signature issuer/facilitator: Stewart Higginson

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# Statement of acceptance - Guarantors

**(made in accordance with the ABM Rules section 2.3.6.2, first paragraph)**

This statement (hereinafter referred to as the "Statement") relates to:

1. **Geoquip Marine Holding AG**
   a company incorporated in Switzerland
   with organisation number CHE-359.468.620
   (hereinafter referred to as the "Guarantor"); and

2. **Geoquip Marine Services P.L.C**
   a company incorporated in England
   with registration number 11600693
   (hereinafter referred to as the "Issuer")

3. **OSLO BØRS ASA**
   a company incorporated in Norway
   with organisation number 983 268 633
   the organiser and administrator of Nordic ABM (a self-regulated list of registered bonds)

The Issuer has registered or intends to apply for registration of the bond loan **ISIN NO0013511121** (the "Bond Loan") on Nordic ABM, for which the Guarantor is to guarantee payment of the interest and principal.

With effect from the time the Bond Loan is admitted to registration, the requirements imposed on issuers of bonds registered on Nordic ABM by the Registration Rules and the Continuing Obligations for Nordic ABM (the "ABM Rules"), together with all subsequent amendments, will apply similarly to guarantors of bonds registered on Nordic ABM, cf. the ABM Rules section 2.3.6.2.

The Guarantor hereby acknowledges and accepts that it shall be bound by the rules and regulations applicable to guarantors of bond loans registered on Nordic ABM, including the continuing duty of disclosure, financial reporting obligations and the ABM rules section 2.3.6.2 (second paragraph) whereby the guarantor, shall, upon request, provide Nordic ABM with certain information as specified in section 3.1.5 (5) of the ABM Rules.

The Guarantor also acknowledges and accepts that if the Guarantor breaches this statement of acceptance, Nordic ABM may give public criticism pursuant to section 7.1 of the ABM Rules.

This Statement is governed by and interpreted in accordance with Norwegian law and is subject to the exclusive jurisdiction and venue of the courts of Oslo, Norway.

APPROVED AND AGREED TO:

[Place, Date]

**Geoquip Marine Holding AG**

DocuSigned by:
Stewart Higginson
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Authorized Signature

[Printed Name] Stewart Higginson

[Title] Director

*Term sheet written in connection with application for registration on Nordic ABM*

**Date** 18.09.25 **Final version** ISIN: NO0013511121

# GQM Services Ltd 9.25% senior secured EUR 200,000,000 bonds 2025/2029

**Terms:**

| | |
|---|---|
| **Documentation:**<br>*The Loan Agreement [1] is described more closely in Standard Terms* | Before investing in the bond, the investor is encouraged to become familiar with relevant documents such as this term sheet, the Loan Agreement and the Issuer's financial accounts and articles of association and if relevant, admission document, cf. ABM-rules section 2.7.2.3. The documents are available with the Issuer and in Relevant Places. In the case of any discrepancies between the Loan Agreement and this term sheet, the Loan Agreement will apply. |
| **Relevant places:** | https://www.geoquip-marine.com |
| **Issuer:** | Geoquip Marine Services P.L.C (formerly GQM Services Ltd.) |
| **Borrowing Limit – Tap Issue:** | The Maximum Issue Amount is EUR 200,000,000. The Issuer may issue Additional Bonds (each a "**Tap Issue**") until the Nominal Amount of all Outstanding Bonds equals in aggregate the Maximum Issue Amount less the Nominal Amount of any previously redeemed Bonds. |
| **First Tranche / Loan Amount: [2]** | EUR 100,000,000 |
| **Disbursement Date: [3]** | 1 April 2025 |
| **Maturity Date: [4]** | 1 April 2029 |
| **Interest Rate:** | Fixed 9.25 per cent. per annum. |
| **Yield on Disbursement Date:** | 9.25% |
| **Day Count Fraction– Interest rate:[5]** | Interest shall be calculated on a 30/360-days basis, except for when (i) the last day in the relevant Interest Period is the 31st calendar day but the first day of that Interest Period is a day other than the 30th or the 31st day of a month, in which case the month that includes that last day shall not be shortened to a 30-day month; or (ii) the last day of the relevant Interest Period is the last calendar day in February, in which case February shall not be lengthened to a 30-day month |
| **Business Day Convention: [6]** | Standard Business Day Convention |
| **Interest Payment Date(s): [7]** | The interest rate is due in arrears on the Interest Payment Date. The first interest payment is paid on the first Interest Payment Date which is 1 October 2025. The subsequent Interest Periods run between 1 April and 1 October each year. The last Interest Payment Date corresponds to the Maturity Date of 1 April 2029. |
| **Interest accrual date:** | Interest on the Bonds will accrue from (and including) the Issue Date. |
| **Date until which interest accrues:** | Each Outstanding Bond will accrue interest at the Interest Rate on the Nominal Amount for each Interest Period, commencing on and including the first date of the Interest Period, and ending on but excluding the last date of the Interest Period, being the Maturity Date. |
| **Status of the loan: [8]** | OPEN |
| **Issue Price: [9]** | 100.00 per cent of the Nominal Amount. |
| **Denomination:** | EUR 100,000 |

**Call: [10]**

| **Redemption Date(s):** | **Price:** |
|---|---|
| From Issue Date to (but not including) First Call Date | Make Whole Amount |
| From First Call Date to (but not including) Interest Payment Date in October 2027 | 104.6250% of Nominal Amount |
| From Interest Payment Date in October 2027 to (but not including) Interest Payment Date in April 2028 | 103.4688% of Nominal Amount |

| | | |
|---|---|---|
| | From Interest Payment Date in April 2028 to (but not including) Interest Payment Date in October 2028 | 102.3125% of Nominal Amount |
| | From Interest Payment Date in October 2028 to (but not including) Maturity Date | 100.00% of Nominal Amount |

-----------------------------------------------------------------------------------------------------------------------------------------------------------

| | |
|---|---|
| **Issuer's org. number/LEI number:** | Business organisation number 11600693 / LEI-code 98450010E2BCC5B78608 |
| **Number / Codes:** | **Sector code:** 9100 **Geographic code:** 9139/GB **Industry (trade) Code:** 71122 |
| **Usage of funds:** | Debt refinancing and general corporate purposes |
| **Approvals / Permissions:** | • The issuance is approved by the board of directors on 28 March 2025<br>• The admission document has been inspected by Oslo Børs, cf. ABM-rules sec 2.7 |
| **Trustee:** | Nordic Trustee AS, Kronprinsesse Märthas plass 1, 0160 Oslo, Norway |
| **Arranger(s):** | Arctic Securities AS and Pareto Securities AS |
| **Paying Agent:** | Nordic Trustee Services AS |
| **Securities Depository:** | Verdipapirsentralen ASA (also known as Euronext Securities Oslo). |
| **FISN- and CFI-code** | GQM SERVICES/0 BD EUR 20290401/DBFGGR |
| **Market Making:** | N/A |
| **MiFiD II target market of end clients:** | Professional Clients |
| **Withholding tax:** [11)] | Gross Up |

**Special (distinct) conditions:**

Certain clauses in the Bond Terms deviate from or enhance the standard terms outlined below. Additionally, the Bond Terms include specific covenants and undertakings tailored to the maritime/offshore geotechnical services industry.

**Tap Issues**
The Issuer may issue Additional Bonds if: (a) a Tap Issue Addendum has been duly executed by all parties thereto; (b) the representations and warranties contained in Clause 7 are true and correct in all material respects and repeated by the Issuer as at the date of issuance of such Additional Bonds; and (c) the Issuer meets the Incurrence Test tested pro forma as of immediately after the Tap Issue.

**Interest Period**
*Interest Payment Dates are semi-annual on the last day of each Interest Period (between 1 April and 1 October), with the first payment on 1 October 2025 and final payment on the Maturity Date*.

**Call Option**
The Issuer may redeem bonds at different prices based on timing, in a stepped call structure: (i) from Issue Date to First Call Date at Make Whole Amount; (ii) from First Call Date to October 2027 at 104.6250% of Nominal Amount; (iii) from October 2027 to April 2028 at 103.4688%; (iv) from April 2028 to October 2028 at 102.3125%; and (v) from October 2028 to Maturity Date at 100.00%.

**Withholding Tax**
Subject to the Bonds being listed on Nordic ABM or an Exchange prior to the first Interest Payment Date, the Issuer is not required to make any deduction or withholding from any payment which it may become obliged to make to the Bond Trustee or the Bondholders under the Finance Documents. Gross up provisions apply with conditional listing requirements.

**Fees and Expenses**
The Issuer shall cover all costs and expenses incurred by Bond Trustee in fulfilling obligations under Finance Documents, and the Bond Trustee is entitled to fees and indemnification with obligations conditioned upon due payment. The Issuer shall pay all costs for external experts engaged after Event of Default or for investigating events that may lead to Event of Default or breach of Finance Documents.

**Corporate structure requirements**

Each Asset Owner must remain a single purpose company solely for owning/operating Collateral Vessels and Geotechnical Rigs. Following the provisions of the Bond Terms, the Issuer has changed to a public limited company under the UK Companies Act 2006.

**Financial Covenant structure**
The Leverage Ratio follows a step-down structure: 3.00:1.00 from Issue Date to April 2026, then 2.75:1.00 to April 2027, then 2.50:1.00 to April 2028, and finally 2.00:1.00 to Maturity Date. Financial covenant cure mechanism allows the Parent to inject new cash equity or Subordinated Loans to cure breaches, limited to maximum two cures during the bond term with no consecutive cures permitted.

**Swiss GAAP Calculation Basis**
Liquidity and Leverage Ratio calculations are required to be based on Swiss GAAP for all purposes.

**Total Loss Mandatory Redemption**
If any Collateral Vessel or Geotechnical Rig becomes a Total Loss, the Issuer must redeem Bonds equal to the lower of Market Value or insurance proceeds at 100% of Nominal Amount plus accrued interest.

**Change of Control Redemption**
If a Change of Control Event occurs prior to the First Call Date, the Issuer has the right to redeem all Bonds at the First Call Price plus accrued interest.

**Covenants and Undertakings**
For information regarding the covenants and undertakings under the Bond Terms, please refer to Clause 12 (*Information Undertakings*) and Clause 13 (*General and Financial Undertakings*) in the Bond Terms. Events of default provisions are set out in Clause 14 (*Events of Default and Acceleration of the Bonds*).

**Supplementary information about status of the loan and collateral: 8)**

(a) As Security for the due and punctual fulfilment of the Secured Obligations and subject to the Agreed Security Principles, the Issuer shall procure that the following Transaction Security is granted in favour of the Security Agent on behalf of the Secured Parties (or, in respect of the Escrow Account Pledge, the Bond Trustee on behalf of the Bondholders):

***Pre-settlement Security***

(i) the Escrow Account Pledge;

***Pre-Disbursement Security***

(ii) a first priority pledge by the Parent over all of the shares in the Issuer;
(iii) a first priority pledge by the Parent over all of the shares owned by it in each Guarantor;
(iv) a first priority assignment by the Parent of any Intercompany Loan;
(v) a Guarantee from the Parent;

***Post-Disbursement Security***

(vi) a first priority pledge by each relevant Group Company (other than the Parent) over all of the shares owned by it in each Guarantor;
(vii) a first priority assignment of any Intercompany Loans;
(viii) a Mortgage over each Collateral Vessel, subject to any applicable Quiet Enjoyment Letter;
(ix) a first priority mortgage over each Geotechnical Rig (including any customary declaration of pledge or deed of covenants supplemental to such mortgage and to the Security created under it in favour of the Security Agent), subject to any applicable Quiet Enjoyment Letter;
(x) a first priority assignment of all Insurances (including subordination undertakings or assignments from any co-assured parties that are Group Companies or Affiliates thereof under such Insurances) related to each Collateral Vessel and Geotechnical Rig (to the extent payable to the Group);
(xi) a first priority assignment of the monetary claims under each bareboat charter or sub-charter contract between a Vessel Owner and the relevant Charter Company in respect of the relevant Collateral Vessel;
(xii) a first priority assignment of all Earnings payable to any Group Company (to the extent not comprised by paragraphs (x) and (xi) above) in respect of each Collateral Vessel and, with respect to any charter contract between a Charter Company and a third party charterer, provided the relevant charter contract has a firm duration of no less than 12 months and subject to any applicable consent requirements in the relevant charter contract (including, if applicable, a Quiet Enjoyment Letter);
(xiii) a first priority floating charge, debenture or similar all-asset security provided by each Obligor (as customary and legally permissible in its jurisdiction of incorporation);
(xiv) a first priority pledge over each Earnings Account; and
(xv) a Guarantee from each Guarantor (other than the Parent).

(b) Subject to any mandatory limitations under applicable law and to the Agreed Security Principles, the Issuer shall procure that new or replacement Security (as the case may be) is established over any assets acquired by, or shares issued in, any Group Company, to the extent such assets or shares would have been required to be made subject to Transaction Security pursuant to paragraph (a) above if owned or in issue immediately prior to Disbursement).

(c) The Security and Guarantees referred to in paragraphs (a) and (b) above shall be provided at the following times:
(i) the Escrow Account Pledge shall be established no later than the time set out in paragraph (a) of Clause 6.1 (*Conditions precedent for Disbursement*);
(ii) the Pre-Disbursement Security shall be established no later than at the time set out in paragraph (b) of Clause 6.1 (*Conditions precedent for Disbursement*);
(iii) the Post-Disbursement Security shall be established no later than 60 Business Days after Disbursement; and
(iv) any Security to be established over any assets acquired after the granting of the Pre-Disbursement Security or in respect of a Material Group Company designated as such after the Issue Date pursuant to Clause 13.19 (*Designation of Material Group Companies*), not later than the earlier of (A) the date falling 60 days after the acquisition of those assets or designation of that Material Group Company; and (B) the date required by the terms of any relevant Transaction Security Document to which the relevant Group Company is a party.

(d) The Transaction Security (other than the Escrow Account Pledge) shall be shared with the other Secured Parties to the extent and in the manner contemplated by the Intercreditor Principles.

(e) The Transaction Security and the Intercreditor Agreement shall be entered into on such terms and conditions as the Security Agent and the Bond Trustee in its discretion deems appropriate in order to create the intended benefit for the Secured Parties under the relevant document.

(f) Subject to the Intercreditor Agreement, the Security Agent is (in its sole discretion) entitled to release and discharge:
(i) the Escrow Account Pledge, once Disbursement has taken place;
(ii) any Transaction Security over any asset being disposed of by way of a merger, de-merger, sale or other transaction (including any change of Charter Company or Asset Owner or any other structural change in respect of the ownership or operation of any Collateral Vessel or Geotechnical Rig), provided that (A) such transaction is permitted by the terms hereof; and (B) replacement Transaction Security is (where required by the terms hereof) granted in favour of the Security Agent on behalf of the Secured Parties; and
(iii) any Guarantee or Transaction Security in connection with the enforcement of any relevant Transaction Security.

---

**Standard terms:** *If any discrepancy should occur between this Loan description and the Loan Agreement, then the Loan Agreement should apply.*

| | |
|---|---|
| **Loan Agreement:** 1) | The Loan Agreement will be entered into between the Issuer and the Trustee prior to Disbursement Date. The Loan Agreement regulates the Bondholder's rights and obligations in relations with the Issue. The Trustee enters into this agreement on behalf of the Bondholders and is granted authority to act on behalf of the Bondholders to the extent provided for in the Loan Agreement.<br><br>When bonds are subscribed/purchased, the Bondholder has accepted the Loan Agreement and is bound by the terms of the Loan Agreement. For tap issues, the Loan Agreement will apply for later issues made within the Borrowing Limit. The parties' rights and obligations are also valid for subsequent issued bonds within the Borrowing Limit. |
| **Open / Close:** 3) 4) | Tap Issues will be opened on Disbursement Date and closed no later than five bank days before Maturity Date. |
| **Disbursement date:** 3) | Payment of the First Tranche / Loan Amount takes place on the banking date ahead of Disbursement Date as agreed with the Manager(s). In case of late payment, the applicable default interest rate according to "lov 17. desember 1976 nr 100 om renter ved forsinket betaling m.m." will accrue. |
| **Expansions – Tap Issues:** 2) | For Tap Issues the Issuer can increase the loan above the First Tranche/Loan Amount. For taps not falling on Interest Payment Dates, Accrued Interest will be calculated using standard market practice in the secondary bond market. The Issuer may apply for an increase in the Borrowing Limit. |

| | |
|---|---|
| **Issue price – Tap Issues:** 9) | Any taps under the Tap Issue will be made at market prices. |
| **Interest Period:** 7) | The interest rate is due in arrears on the Interest Payment Date. The first Interest Rate is paid on the first Interest Payment Date after Disbursement Date. The subsequent period runs from this date until the next Interest Payment Date. Last Interest Payment Date corresponds to Maturity Date. |
| **Day Count Fraction– Interest rate:** 5) | Interest shall be calculated on the basis of a 360 day year consisting of 12 months of 30 days, in case of a non-finished month the actual number of calendar days (30/360-basis), with the exception of periods where<br>a) the last day in the period is the 31st calendar day, and the first day of the period is neither the 30th nor the 31st of the month, in which the month containing the period shall not be reduced to 30 days; or<br>b) the last day of the period is the last calendar day in February, in which February shall not be extended to a 30-day month. |
| **Standard Business Day Convention** 6) | Interest Payment Date will not be moved even if it is on a day that is not a banking day. If Interest Payment Date is not a banking day, payments will be made on the following banking day. |
| **Accrued interest:** | Accrued Interest rates for trades in the secondary bond market are calculated on the basis of current recommendations of Norske Finansanalytikerers Forening (*The Norwegian Society of Financial Analysts*). |
| **Condition – Call:** 10) | Exercise of Call shall be notified by the Issuer to the Bondholders and the Bond Trustee at least ten Business Days prior to the relevant Call Date.<br>Partial exercise of Call shall be carried out pro rata between the Bonds (according to the procedures in the Securities Register). |
| **Registration:** | The loan must prior to disbursement be registered in the Securities Depository. The bonds are being registered on each Bondholders account or nominee account in the Securities Depository. |
| **Issuer's acquisition of bonds:** | The Issuer has the right to acquire Bonds and to retain, sell or discharge such Bonds in the Securities Depository.<br>Subordinated bonds may not be purchased, sold or dischared by the Issuer without the consent of Finanstilsynet, provided that such consent is required. |
| **Amortisation:** 4) | The bonds will run without instalments and be repaid in full on Maturity Date at par, provided the Issuer has not called the bonds. |
| **Redemption:** | Matured interest rate and matured principal will be credit each Bondholder directly from the Securities Registry. Claims for interest and principal shall be limited in time pursuant the Norwegian Act relating to the Limitation Period Claims of May 18 1979 no 18, p.t. 3 years for interest rates and 10 years for principal. |
| **Sale:** | Tranche 1/ Loan amount has been sold by the Arranger. Later taps can also take place by other authorized investment firms. |
| **Legislation:** | Disputes arising from or in connection with, the Loan Agreement which are not resolved amicably, shall be resolved in accordance with Norwegian law and the Norwegian courts. Legal suits shall be served at the Trustee's competent legal venue. |
| **Fees and expenses:** | Any public fees payable in connection with the Bond Agreement and fulfilling of the obligations pursuant to the Bond Agreement shall be covered by the Issuer. The Issuer is not responsible for reimbursing any public fees levied on the trading of Bonds. |
| **Withholding tax:** 11) | The issuer is responsible for withholding any withholding tax imposed by applicable law on any payments to be made by it in relation to the bonds. In case of Gross up, the issuer shall be liable to gross up any payments in relation to the bonds by virtue of withholding tax, public levy or similar taxes. In case of No gross up, the issuer shall not be liable to gross up any payments in relation to the bonds by virtue of withholding tax, public levy or similar taxes. |

GEOQUIPMARINE

Oslo, 18 September 2025

ARCTIC

Pareto Securities

OSLO BØRS

# Statement of acceptance - Guarantors

**(made in accordance with the ABM Rules section 2.3.6.2, first paragraph)**

This statement (hereinafter referred to as the "Statement") relates to:

1. **Geoquip Marine Holding AG**
   a company incorporated in Switzerland
   with organisation number CHE-359.468.620
   (hereinafter referred to as the "Guarantor"); and

2. **Geoquip Marine Services P.L.C**
   a company incorporated in England
   with registration number 11600693
   (hereinafter referred to as the "Issuer")

3. **OSLO BØRS ASA**
   a company incorporated in Norway
   with organisation number 983 268 633
   the organiser and administrator of Nordic ABM (a self-regulated list of registered bonds)

The Issuer has registered or intends to apply for registration of the bond loan **ISIN NO0013511121** (the "Bond Loan") on Nordic ABM, for which the Guarantor is to guarantee payment of the interest and principal.

With effect from the time the Bond Loan is admitted to registration, the requirements imposed on issuers of bonds registered on Nordic ABM by the Registration Rules and the Continuing Obligations for Nordic ABM (the "ABM Rules"), together with all subsequent amendments, will apply similarly to guarantors of bonds registered on Nordic ABM, cf. the ABM Rules section 2.3.6.2.

The Guarantor hereby acknowledges and accepts that it shall be bound by the rules and regulations applicable to guarantors of bond loans registered on Nordic ABM, including the continuing duty of disclosure, financial reporting obligations and the ABM rules section 2.3.6.2 (second paragraph) whereby the guarantor, shall, upon request, provide Nordic ABM with certain information as specified in section 3.1.5 (5) of the ABM Rules.

The Guarantor also acknowledges and accepts that if the Guarantor breaches this statement of acceptance, Nordic ABM may give public criticism pursuant to section 7.1 of the ABM Rules.

This Statement is governed by and interpreted in accordance with Norwegian law and is subject to the exclusive jurisdiction and venue of the courts of Oslo, Norway.

APPROVED AND AGREED TO:

[Place, Date]

**Geoquip Marine Holding AG**

DocuSigned by:
Stewart Higginson
367B04E6C73542E...

Authorized Signature

[Printed Name] Stewart Higginson

[Title] Director

GEOQUIPMARINE

# Annual Report 2024

## Consolidated Financial Statements

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# Audit opinion

# Report of the independent auditor

## to the Board of Directors of GEOQUIP Marine Holding AG, St. Gallen

### Opinion

We have audited the consolidated financial statements of GEOQUIP Marine Holding AG and its subsidiaries (the Group), which comprise the consolidated statement of financial performance and the consolidated statement of other comprehensive income for the years ended 31 December 2024, 2023 and 2022, the consolidated statement of financial position as at 31 December 2024, 2023 and 2022 as well as 1 January 2022, the consolidated statement of cash flows and the consolidated statement of changes in equity for the years ended 31 December 2024, 2023 and 2022, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2024, 2023 and 2022, and of its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with IFRS Accounting Standards.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISA) and Swiss Standards on Auditing (SA-CH). Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the consolidated financial statements' section of our report. We are independent of the Group in accordance with the requirements of the Swiss audit profession, as well as the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements in accordance with Swiss Code of Obligations, the consolidated financial statements in accordance with Swiss Code of Obligations and the consolidated financial statements in accordance with IFRS Accounting Standards and our auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Board of Directors' responsibilities for the consolidated financial statements

The Board of Directors is responsible for the preparation of consolidated financial statements, that give a true and fair view in accordance with IFRS Accounting Standards, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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## Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISA and SA-CH, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PricewaterhouseCoopers AG

Gianluca Galasso Nicol Nägele

St. Gallen, 06 June 2025

Enclosure:

- Consolidated financial statements (consolidated statement of financial performance, consolidated statement of other comprehensive income, consolidated statement of financial position, consolidated statement of cash flows, consolidated statement of changes in equity and notes to the consolidated financial statements)

# Consolidated statement of financial performance

| USD'000 | NOTES | 2024 | 2023 | 2022 |
|---|---|---|---|---|
| Revenues | 4.1 | 129,748 | 112,009 | 86,260 |
| Project expenses | 4.4 | (58,654) | (58,930) | (65,353) |
| Other income | | 780 | 1,242 | 2,320 |
| Personnel expenses | 5.1 | (17,995) | (14,205) | (11,967) |
| Other operating expenses | 4.5 | (9,032) | (5,079) | (4,754) |
| Depreciations | 7.1/7.2 | (24,590) | (23,003) | (20,915) |
| Impairments | 4.3/7.1 | (61) | 1,705 | (4,839) |
| Currency effects on operations | | (1,223) | (732) | 661 |
| **Result from operating activities** | | **18,972** | **13,008** | **(18,587)** |
| Financial income | | - | - | 1 |
| Financial expenses | 6.6 | (8,151) | (8,684) | (4,950) |
| Currency effects on financing | | 2,611 | (3,355) | 1,641 |
| **Net result from financing activities** | | **(5,540)** | **(12,039)** | **(3,309)** |
| **Result before income tax** | | **13,432** | **970** | **(21,896)** |
| Income tax | 8.1 | (2,162) | (1,391) | 3,721 |
| **Net result of the period attributable to company's shareholders** | | **11,271** | **(421)** | **(18,175)** |

# Consolidated statement of other comprehensive income

| USD'000 | NOTES | 2024 | 2023 | 2022 |
|---|---|---|---|---|
| **Net result of the period attributable to company's shareholders** | | **11,271** | **(421)** | **(18,175)** |
| Remeasurement gains/(losses) on defined benefit plans | 5.2 | (212) | (159) | 394 |
| Taxes on remeasurement gains/(losses) on defined benefit plans | 5.2 | 30 | 23 | (57) |
| **Total items that will not be reclassified to financial performance** | | **(182)** | **(136)** | **337** |
| **Other comprehensive result attributable to company's shareholders** | | **11,089** | **(557)** | **(17,837)** |

# Consolidated statement of financial position

| USD'000 | NOTES | 31.12.2024 | 31.12.2023 | 31.12.2022 | 01.01.2022 |
|---|---|---|---|---|---|
| **ASSETS** | | | | | |
| Property, plant and equipment | 7.1 | 123,093 | 94,608 | 92,609 | 75,765 |
| Right-of-use assets | 7.2 | 12,800 | 24,348 | 36,050 | 47,752 |
| Non-current financial assets | | 103 | 110 | - | - |
| Deferred tax assets | 8.1 | 3,749 | 5,422 | 6,423 | 2,456 |
| **Total non-current assets** | | **139,744** | **124,488** | **135,082** | **125,973** |
| Inventories | 7.3 | 1,949 | 1,403 | 1,814 | 1,210 |
| Trade receivables | 4.3 | 12,378 | 7,825 | 10,198 | 13,244 |
| Contract assets | 4.3 | 9,650 | 4,860 | 2,073 | 5,544 |
| Current financial assets | 7.4 | 1,056 | - | - | 1,768 |
| Current non-financial assets | 7.6 | 2,512 | 2,799 | 1,387 | 809 |
| Cash and cash equivalents | | 18,944 | 16,871 | 8,284 | 8,480 |
| **Total current assets** | | **46,491** | **33,759** | **23,757** | **31,055** |
| **Total assets** | | **186,235** | **158,247** | **158,840** | **157,028** |
| **LIABILITIES** | | | | | |
| Non-current borrowings | 6.5 | 108,411 | 87,687 | 37,236 | 41,560 |
| Non-current lease liabilities | 6.5 | 1,573 | 17,779 | 31,879 | 40,779 |
| Employee benefits | 5.2 | 799 | 445 | 422 | 855 |
| Non-current provisions | 7.7 | 958 | 918 | 879 | 842 |
| Deferred tax liabilities | 8.1 | 11 | 10 | 21 | 0 |
| **Total non-current liabilities** | | **111,753** | **106,839** | **70,437** | **84,038** |
| Current borrowings | 6.5 | 2,593 | 235 | 39,243 | 7,582 |
| Current lease liabilities | 6.5 | 16,136 | 14,229 | 8,807 | 6,972 |
| Current provisions | 7.7 | 6,740 | 2,527 | 993 | - |
| Trade and other payables | 7.5 | 21,186 | 16,352 | 20,865 | 21,716 |
| Contract liabilities | 4.3 | - | - | 750 | - |
| Income tax payables | | 614 | 877 | 645 | 1,683 |
| Other current non-financial liabilities | 7.6 | 107 | 1,170 | 526 | 627 |
| **Total current liabilities** | | **47,377** | **35,391** | **71,830** | **38,581** |
| **Total liabilities** | | **159,129** | **142,230** | **142,267** | **122,618** |
| **EQUITY** | | | | | |
| Share capital | 6.2 | 113 | 113 | 113 | 113 |
| Capital reserves | | 34,032 | 34,032 | 34,032 | 34,032 |
| Reserves | | (7,040) | (18,129) | (17,573) | 265 |
| **Total equity attributable to company's shareholders** | | **27,105** | **16,016** | **16,573** | **34,410** |
| **Total equity and liabilities** | | **186,235** | **158,247** | **158,840** | **157,028** |

# Consolidated statement of cash flows

| USD'000 | NOTES | 2024 | 2023 | 2022 |
|---|---|---|---|---|
| **Cash flows from operating activities** | | | | |
| Result from operating activities | | 18,972 | 13,008 | (18,587) |
| **Adjustments for:** | | | | |
| Depreciation | 7.1/7.2 | 24,590 | 23,003 | 20,915 |
| Impairments | 4.3/7.1 | 61 | (1,705) | 4,839 |
| Change in management incentive plans | 5.2 | 141 | (131) | (73) |
| Change in retirement benefit plans | | 1 | (4) | 33 |
| Change in provisions | 7.7 | 4,253 | 1,572 | 1,030 |
| Change in other current liabilities | 7.6 | (1,063) | 644 | (101) |
| Change in other current assets | | (769) | (1,413) | 1,190 |
| Other non-cash components | | 352 | 746 | 217 |
| **Changes in working capital** | | | | |
| Decrease/(increase) in inventories | 7.3 | (546) | 411 | (605) |
| Decrease/(increase) in trade receivables and contract assets | 4.3 | (9,405) | 1,291 | 4,953 |
| Increase/(decrease) in trade and other payables and contract liabilities | 4.3/7.5 | 4,834 | (5,263) | (100) |
| | | | | |
| Income tax paid | | (514) | (137) | (1,154) |
| Bank fees and other operating financial expenses | | (477) | (217) | (191) |
| **Net cash generated from operating activities** | | **40,432** | **31,806** | **12,366** |
| | | | | |
| **Cash flows from investing activities** | | | | |
| Capital expenditures on property, plant and equipment | 7.1 | (41,527) | (13,598) | (29,989) |
| Loans granted to related parties | 8.2 | - | (110) | - |
| **Net cash (used in)/from investing activities** | | **(41,527)** | **(13,707)** | **(29,989)** |
| | | | | |
| **Cash flows from financing activities** | | | | |
| Proceeds from borrowings (banks) | 6.5 | 22,112 | - | 39,162 |
| Proceeds from borrowings (shareholders) | 6.5 | - | 7,500 | 6,660 |
| Reimbursment of borrowings (banks) | 6.5 | - | - | (18,893) |
| Reimbursment of borrowings (shareholders) | 6.5 | - | (2,344) | - |
| Reimbursment of lease liability | 6.5 | (14,223) | (8,819) | (6,896) |
| Paid financing fees | 6.5 | - | (528) | - |
| Interest paid | 6.5 | (3,938) | (4,910) | (2,934) |
| **Net cash (used in)/from financing activities** | | **3,952** | **(9,101)** | **17,099** |
| | | | | |
| **Net increase/(decrease) in cash and cash equivalents** | | **2,857** | **8,998** | **(524)** |
| | | | | |
| Currency fluctuations on cash held | | (784) | (410) | 328 |
| Cash and cash equivalents at 1 January | | 16,871 | 8,284 | 8,480 |
| **Cash and cash equivalents at 31 December** | | **18,944** | **16,871** | **8,284** |

# Consolidated statement of changes in equity

| USD'000 | Issued capital | Capital reserves | Actuarial gains and losses reserve | Retained earnings | Total equity attributable to company's shareholders |
|---|---|---|---|---|---|
| **1 January 2022** | **113** | **34,032** | **-** | **265** | **34,410** |
| Net result for the period | - | - | - | (18,175) | (18,175) |
| Other comprehensive income | - | - | 337 | - | 337 |
| **31 December 2022** | **113** | **34,032** | **337** | **(17,910)** | **16,573** |
| **1 January 2023** | **113** | **34,032** | **337** | **(17,910)** | **16,573** |
| Net result for the period | - | - | - | (421) | (421) |
| Other comprehensive income | - | - | (136) | - | (136) |
| **31 December 2023** | **113** | **34,032** | **202** | **(18,330)** | **16,016** |
| **1 January 2024** | **113** | **34,032** | **202** | **(18,330)** | **16,016** |
| Net result for the period | - | - | - | 11,271 | 11,271 |
| Other comprehensive income | - | - | (182) | - | (182) |
| **31 December 2024** | **113** | **34,032** | **20** | **(7,060)** | **27,105** |

# Notes to the Consolidated Financial Statements

# 1. General Information

Geoquip Marine Holding AG, hereinafter to be referred to as "the Company" is a limited liability company incorporated in Switzerland with its registered office located at Multergasse 1-3, St. Gallen. The Company is the ultimate parent of the group.

The Company and its subsidiaries (together, the "Group" or "Geoquip") are primarily engaged in providing offshore geotechnical solutions to the energy and infrastructure sectors worldwide.

The consolidated financial statements of Geoquip Marine Holding AG and its subsidiaries (collectively, Geoquip or the Group) for the years ended 31 December 2024 were authorised for issue in accordance with the resolution of the Board of Directors on 29 May 2025.

# 2. Basis of preparation and other significant accounting policies

## 2.1. Basis of Preparation

These consolidated financial statements of Geoquip Marine Holding AG and its subsidiaries have been prepared in accordance with IFRS Accounting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). The Group has adopted IFRS for the first time for the financial year ended 31 December 2024, with 1 January 2022 as the transition date.

For all periods up and including 31 December 2024, the Group prepared its consolidated financial statements in accordance with Swiss Code of Obligations (SCO). These consolidated financial statements for the year ended on 31 December 2024, are the first the Group has prepared in accordance with IFRS. Refer to Note 3 for information on how the Group adopted IFRS.

These consolidated financial statements have been prepared on a historical cost basis, except for the management incentive plan and an interest free shareholder loan, which has been measured at fair value. All amounts are presented in United States dollars (USD), since the majority of Geoquip business is conducted in this currency, which is also the functional currency of all Group subsidiaries. All values are rounded to the nearest thousands, except as otherwise indicated. The tables disclosed in these financial statements may contain rounding effects.

The consolidated statement of financial performance is presented based on cost classification by nature which is the presentation used by management to measure the Group's performance.

The consolidated financial statements have been prepared on the basis that the Group will continue to operate as a going concern.

## 2.2. Basis of Consolidation

The consolidated financial statements include the financial statements of Geoquip Marine Holding AG and all entities controlled by the Company as 31 December 2024, 2023, and 2022. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group and are deconsolidated from the date control ceases.

Intercompany balances, transactions, income, and expenses are eliminated in full upon consolidation.

## 2.3. Changes in accounting policies and disclosures

The following pronouncements will be effective for the first-time for reporting periods beginning on or after January 1, 2025. The amendments are not expected to have a material impact on the Group's financial statements.

**Lack of exchangeability – Amendments to IAS 21**

In August 2023, the IASB issued amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments will be effective for annual reporting periods beginning on or after January 1, 2025. Early adoption is permitted but will need to be disclosed. When applying the amendments, an entity cannot restate comparative information.

The amendments are not expected to have a material impact on the Group's financial statements.

**IFRS 18 Presentation and Disclosure in Financial Statements**

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

IFRS 18 also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes.

In addition, narrow-scope amendments have been made to IAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

IFRS 18, and the amendments to the other standards, are effective for reporting periods beginning on or after January 1, 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively.

In line with the Group's commitment to high-quality and transparent financial reporting, these financial statements have been presented in accordance with the requirements of IFRS 18 Presentation and Disclosure in Financial Statements.

The application of IFRS 18 does not conflict with the requirements of IFRS 1and is therefore consistent with the transition requirements for first-time adopters. The Group believes that disclosing the financial statements in line with IFRS 18 enhances the clarity and usefulness of its financial statements for investors and stakeholders.

The key impacts of early application of IFRS 18 are reflected in the structure and presentation of the primary financial statements and associated disclosures.

*Image: Geoquip Executive Committee*

## 2.4. Foreign Currency Translation

The functional currency of all Group subsidiaries is the USD. Transactions in foreign currencies are translated into USD at the exchange rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the closing rate at the reporting date. Foreign exchange gains and losses resulting from such transactions are recognized in profit or loss. Non-monetary items denominated in foreign currencies are translated using the exchange rates at the date of the initial transactions.

## 2.5. Significant Accounting Judgements, Estimates and Assumptions

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates, and assumptions that affect the reported amounts of assets, liabilities, revenues, and expenses, as well as disclosure of contingent liabilities. Because of uncertainties inherent in these, actual results may differ from judgements, assumptions, and estimates, which could materially affect the Group's consolidated financial statements. The Group based its judgements, assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

The key assumptions and judgements concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

**Material Estimates and Assumptions**

Variable considerations: refer to Note 4.3.

Allowance for expected credit losses on trade receivables and contract assets: refer to Note 6.4.

Fair value measurement of share-based payments: refer to Note 5.2.2.

Leasing discount rate: refer to note 6.4.

Provisions: refer to Note 7.7.

Taxes: refer to Note 8.1.

**Judgement**

Renewal option assessment in leasing contracts: refer to note 7.2.

## 2.6. Group Structure and Investments in Subsidiaries

The Group comprises Geoquip Marine Holding AG and the following fully consolidated subsidiaries.

| Name | Country | 2024 | 2023 | 2022 | 2021 | Activity |
|---|---|---|---|---|---|---|
| Geoquip Marine Holding AG | Switzerland | 100% | 100% | 100% | 100% | a) |
| Geoquip Marine Asset AG | Switzerland | 100% | 100% | 100% | 100% | b) |
| Geoquip Marine Operations AG | Switzerland | 100% | 100% | 100% | 100% | c) |
| GQM Services Ltd | United Kingdom | 100% | 100% | 100% | 100% | d) |
| Geoquip Marine Nigeria Ltd | Nigeria | 100% | 100% | 100% | 100% | e) |
| Geoquip Marine Belgium BVBA | Belgium | - | - | - | 100% | b) |
| Geoquip Marine USA Inc. | USA | 100% | 100% | 100% | 100% | e) |
| Geoquip Marine Taiwan Ltd | Taiwan (ROC) | 100% | 100% | 100% | 100% | c) |
| Foehn Shipping Ltd | Cyprus | 100% | 100% | 100% | 100% | b) |
| Chinook Shipping Ltd | Cyprus | 100% | 100% | 100% | 100% | b) |
| Renamare Shipping Company Ltd | Cyprus | 100% | 100% | 100% | - | b) |
| Benemare Shipping Company Ltd | Cyprus | 100% | 100% | 100% | - | b) |
| Savario Shipping Company Limited | Cyprus | 100% | - | - | - | b) |
| Patarone Shipping Company Limited | Cyprus | 100% | - | - | - | b) |

All subsidiaries are directly or indirectly wholly owned and controlled by the Group. Geoquip Marine Belgium BVBA was liquidated in 2022.

There were no changes in the Group's scope of consolidation because of the transition to IFRS.

The primary activities are as follows:

a) Holding
b) Ownership and rental of vessels and drilling equipment
c) Operating and rental of geotechnical, geophysical, geoscientific and met-ocean equipment and installations, scientific research, management of vessels
d) Engineering related scientific and technical consulting activities
e) Provision of office and commercial agency services

## 2.7. Segment Reporting

Geoquip provides offshore geotechnical solutions to clients who plan to execute infrastructural offshore projects. Geoquip Marine's core business model is centred on obtaining, analysing, and interpreting seabed and sub-surface data, which is then transformed into technical and scientific recommendations essential for the design and installation of offshore structures. The services rendered are independent of the specific type of offshore structure ultimately built.

The Executive Committee, which is the Chief Operation Decision Maker (CODM), includes the Board of Directors, the CEO, the CFO, and the heads of key operational and business functions and meets regularly to assess the Group's operational and financial performance based on comprehensive monthly reporting. These reports present data at a consolidated group level. There is no regular internal reporting by product, service, legal entity, or geographic region. Operational and financial decisions, including resource allocation and performance monitoring, are made centrally by the CODM based on the Group's performance as a whole.

Revenue is generated through the delivery of comprehensive geotechnical services involving high-mobility assets (vessels equipped with specialized rigs) that operate globally. Consequently, the Group's organizational and operational structures are not aligned with geographic, product, or service-based segment reporting. Rather, they are aligned functionally and strategically across the Group and for management purposes the Group is organised in one business unit.

While Geoquip Marine conducts its activities through multiple legal entities across different countries, the nature of the Group's services requires an integrated operational model. Individual entities within the Group do not operate as standalone profit centres.

Revenue by geographical area presents as follows:

| USD'000 | 2024 | 2023 | 2022 |
|---|---|---|---|
| Americas | 27,390 | 7,593 | 16,894 |
| Asia Pacifics | 867 | 29,943 | 4,149 |
| Africa | 1,025 | 2,690 | 84 |
| Europe | 100,465 | 71,783 | 65,134 |
| *Germany* | *48,728* | *2,131* | *2,021* |
| *England* | *18,418* | *13,322* | - |
| *Poland* | *8,881* | *14,555* | *21,552* |
| *France* | *6,592* | *7,650* | *21,445* |
| *Norway* | *6,316* | *2,041* | - |
| *Ireland* | *4,925* | *3,982* | - |
| *Spain* | *2,479* | - | - |
| *Scotland* | *2,244* | *22,649* | *1,127* |
| *Netherlands* | *1,857* | *818* | - |
| *Belgium* | *26* | *4,634* | *7,296* |
| *Sweden* | - | - | *3,150* |
| *Denmark* | - | - | *8,542* |
| **Total** | **129,748** | **112,009** | **86,260** |

In 2024, three major customers, each accounting for more than 10% of revenues, accounted in total for 40.2% of revenues (in 2023 three customers for 41.7% and in 2022 two customers for 33.7%).

Refer to note 4.1 for disaggregation of revenue by type of development projects and to note 8.2 for Management Performance Measures definition.

Geoquip's non-current assets are disclosed in Note 7.1. The Group's vessels and equipment are movable in nature, and therefore a disclosure of non-current assets by geographical location does not provide meaningful information to users of the financial statements. The vessels are deployed to support service delivery in the geographic regions presented in the table above. As disclosed in Note 2.6, the Group holds non-current assets through six subsidiaries incorporated in Cyprus and one in Switzerland.

# 3. First time adoption of IFRS

## 3.1. Overview

These consolidated financial statements, for the year ended 31 December 2024, are the first financial statements prepared in accordance with IFRS Accounting Reporting Standards. For periods up to and including the year ended 31 December 2024, the Group prepared its consolidated financial statements in accordance with Swiss Code of Obligations. Accordingly, Geoquip Group has prepared consolidated financial statements which comply with IFRS applicable for periods ending on or after 31 December 2024, together with the comparative period data as at and for the year ended 31 December 2023 and

2022, as described in the summary of significant accounting policies. In preparing these financial statements, the Group's opening statement of financial position was prepared as at 1 January 2022 (the date of transition to IFRS). This note explains the principal adjustments made in restating Group Swiss Code of Obligations consolidated financial statements, including the statement of financial position as at 1 January, 2022.

The Group has elected not to present a reconciliation of cash flows from Swiss Code of Obligations to IFRS as at 31 December 2024, as the differences arising from classification are not material. Furthermore, the application of IFRS 18 introduces changes to the presentation structure, which would limit the usefulness of a visual reconciliation.

## 3.2. Exemptions applied

### 3.2.1. Leasing

The Group assessed all contracts existing on 1 January 2022 to determine whether a contract contains a leasing based upon the conditions in place as of 1 January 2022.

Lease liabilities were measured at the present value of the remaining lease payments, discounted using the leasing contract implicit interest rates on 1 January 2022 for leased buildings and the incremental borrowing rate for leased vessels. The lease payments associated with leases for which the lease terms end within 12 months of the date of transition to IFRS and leases for which the underlying asset is low value have been recognised as an expense.

Right of use assets were measured at the amount equal to lease payments.

### 3.2.2. Property, plant and equipment

The Group has elected to carry forward the previous GAAP carrying amounts of property, plant and equipment as their deemed cost at the date of the transition as the subsidiaries holding the majority of the Group's property, plant and equipment were already reporting under IFRS Accounting Standards prior to the Group's transition.

### 3.2.3. Revenue from contracts with customers

The Group has assessed all contracts with customers that were not completed on 1 January 2022.

### 3.2.4. Estimates

The estimates on 1 January 2022, and 31 December 2022, 2023 and 2024 are consistent with those made for the same dates in accordance with Swiss Code of Obligations, apart from pension, share-based payment transactions, leasing and taxes. The estimates used by the Group to present these amounts in accordance with IFRS reflect conditions on 1 January 2022, the date of transition to IFRS, and as at 31 December 2022, 2023 and 2024.

## 3.3. Reconciliation of consolidated statement of financial performance as of 31 December 2024

| USD'000 | 2024 | | | 2024 |
|---|---|---|---|---|
| Continuing operations | SCO | IFRS adjustments | | IFRS |
| Revenues | 129,748 | - | | 129,748 |
| Project expenses | (82,906) | 24,252 | a) | (58,654) |
| Other income | - | 780 | b) | 780 |
| Personnel expenses | (10,368) | (7,627) | c) | (17,995) |
| Other operating expenses | (4,635) | (4,397) | d) | (9,032) |
| Depreciations | (12,887) | (11,703) | e) | (24,590) |
| Amortisations | (85) | 85 | f) | - |
| Impairments | - | (61) | g) | (61) |
| Currency effects on operations | - | (1,223) | h) | (1,223) |
| **Result from operating activities** | **18,866** | **106** | | **18,972** |
| Financial income | 42 | (42) | i) | - |
| Financial expenses | (5,925) | (2,226) | j) | (8,151) |
| Currency effects on financing | (1,607) | 4,218 | h) | 2,611 |
| **Net result from financing activities** | **(7,490)** | **1,950** | | **(5,540)** |
| Extraordinary income | 4,127 | (4,127) | k) | - |
| Extraordinary expenses | (2,770) | 2,770 | k) | - |
| **Result before income tax** | **12,733** | **699** | | **13,432** |
| Income tax | (245) | (1,916) | l) | (2,162) |
| **Net result for the period** | **12,488** | **(1,217)** | | **11,271** |

The are no correction of errors recognized for 2024 financial performance.

The nature of IFRS adjustments is described below:

a) USD 14.6m derecognition of vessel charter expenses due to IFRS 16 application, USD 7.6m reclassification between Project expenses and Personnel expenses (refer to c)) as well as USD 2.4m reclassification to Other operating expenses due to cost by nature method application in IFRS Additionally USD 0.3m reclassification from Extraordinary expenses.

b) USD 0.8m reclassification from Extraordinary Income.

c) USD 7.6m reclassification between Project expenses and Personnel expenses due to cost of sales method application in SCO in 2024.

d) USD 2.4m reclassification of Extraordinary expenses to Other operating expenses. USD 0.5m derecognition of rental costs due to IFRS 16 application and USD 2.4m reclassification to Project Expenses due to cost by nature method application in IFRS

e) USD 11.5m additional depreciation from right-of-use assets plus USD 0.2m additional depreciation of equipment installed on leasehold assets.

f) USD 0.1m of amortization of deferred finance fees which reclassified to Financial expenses.

g) Additional expected credit loss on trade receivables and contract assets recognized according to IFRS 9.

h) Separation of currency effects into operating and financing currency effects. Additionally currency effects on financing due that arise from fair value calculation on interest free loan in foreign currency and minor consolidation adjustments.

i) USD 0.05m insurance reimbursement reclassified to Other income.

j) USD 1.0m additional interest charge from fair value valuation on interest free shareholder loan. USD 0.9m interest expenses due to leasing recognition under IFRS 16. USD 0.2m amortization of additional capitalized transaction fees in previous periods and USD 0.1m amortization of deferred finances also recognized already under SCO. See f)

k) Reclassification of Extraordinary income and expenses to Project expenses, Other Income, Other operating expenses.

l) Recognition of deferred tax assets and liabilities arising from temporary differences and from losses carry-forward.

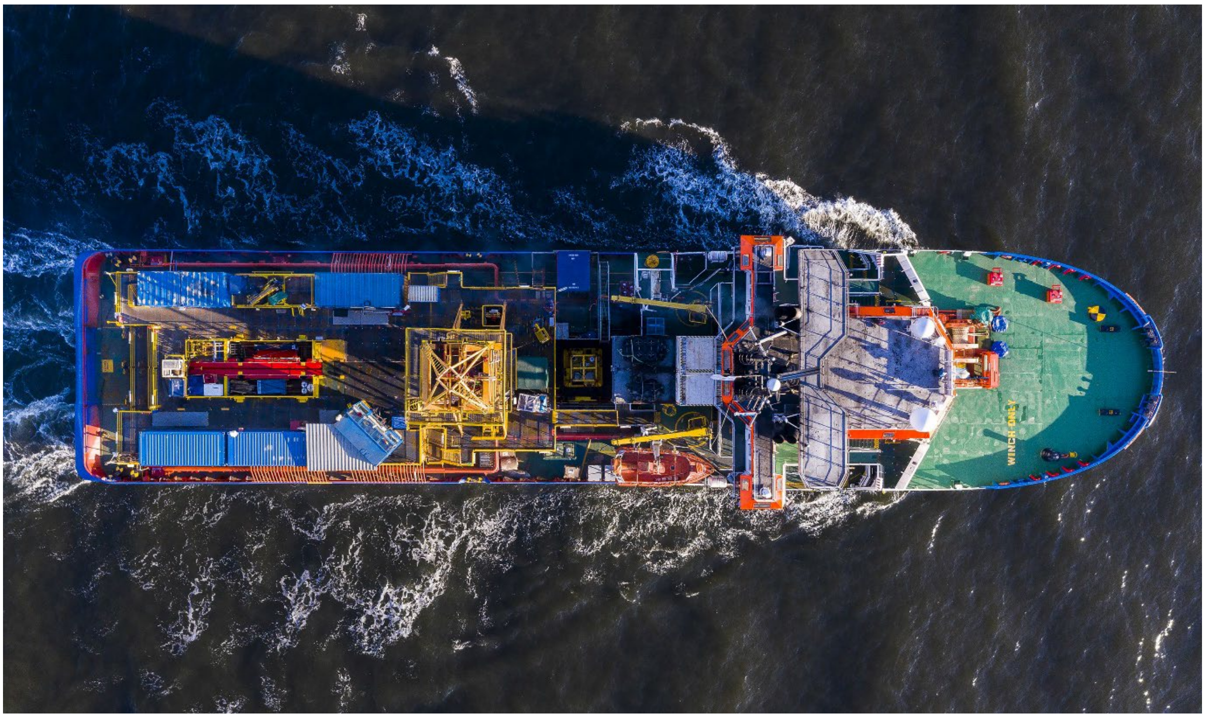

*Image: Geoquip Seehorn*

## 3.4. Reconciliation of consolidated statement of financial position as of 1 January 2022 (date of transition to IFRS)

| USD'000 | 01.01.2022 | | | | | 01.01.2022 |
|---|---|---|---|---|---|---|
| **ASSETS** | SCO | Correction of errors | | IFRS adjustments | | IFRS |
| Property, plant and equipment | 74,125 | (600) | a) | 2,240 | d) | 75,765 |
| Right-of-use assets | - | - | | 47,752 | e) | 47,752 |
| Deferred tax assets | - | - | | 2,456 | f) | 2,456 |
| **Total non-current assets** | **74,125** | **(600)** | | **52,448** | | **125,973** |
| Inventories | 2,829 | - | | (1,619) | d) | 1,210 |
| Trade receivables | 13,249 | - | | (5) | g) | 13,244 |
| Contract assets | - | 7 | | 5,537 | g) | 5,544 |
| Current financial assets | - | - | | 1,768 | h) | 1,768 |
| Current non-financial assets | 8,446 | (18) | b) | (7,618) | i) | 809 |
| Cash and cash equivalents | 8,479 | 11 | b) | (9) | | 8,480 |
| **Total current assets** | **33,003** | **(1)** | | **(1,947)** | | **31,055** |
| **Total assets** | **107,128** | **(601)** | | **50,501** | | **157,028** |
| **LIABILITIES** | | | | | | |
| Non-current borrowings | 46,526 | - | | (4,966) | k) | 41,560 |
| Non-current lease liabilities | - | - | | 40,779 | e) | 40,779 |
| Employee benefits | - | - | | 855 | j) | 855 |
| Non-current provisions | - | - | | 842 | d) | 842 |
| **Total non-current liabilities** | **46,526** | **-** | | **37,511** | | **84,037** |
| Current borrowings | 7,988 | - | | (406) | l) | 7,582 |
| Current lease liabilities | - | - | | 6,972 | e) | 6,972 |
| Trade and other payables | 21,728 | 29 | | (41) | | 21,716 |
| Income tax payables | 2,045 | (342) | a) | (20) | | 1,683 |
| Other current non-financial liabilities | 597 | 4 | | 26 | | 627 |
| **Total current liabilities** | **32,359** | **(309)** | | **6,531** | | **38,581** |
| **Total liabilities** | **78,885** | **(309)** | | **44,042** | | **122,618** |
| **EQUITY** | | | | | | |
| Share capital | 113 | - | | - | | 113 |
| Capital reserves | 34,032 | - | | - | | 34,032 |
| Reserves | (5,902) | (292) | c) | 6,458 | m) | 265 |
| **Total equity** | **28,243** | **(292)** | | **6,458** | | **34,410** |
| **Total equity and liabilities** | **107,128** | **(601)** | | **50,501** | | **157,028** |

The correction of errors refers to adjustments booked by some local entities in local accounts after the preparation of the Group consolidated financial statements and consists of:

a) Derecognition of excess of depreciations of USD 0.6m, which also resulted in a reduction of the local income tax liability by USD 0.3m.

b) Minor reclassifications.

c) The adjustments described in a) also impacted the Group's consolidated retained earnings by USD 0.3 m.

The IFRS adjustments consist of:

d) Reclassification of drilling-related equipment previously recorded as inventories (USD 1.6m) as well as recognition of leasehold improvement cost related to certain equipment installed on leasehold property (USD 0.6m). A corresponding dismantling provision of USD 0.8m was recognized under non-current liabilities.

e) Recognition of right-of-use assets and related lease liabilities. Leased assets consist mostly of a vessel and office spaces.

f) Recognition of deferred tax assets and liabilities arising on temporary differences, of tax benefits from losses carry forwards and related impairments. Refer to note 8.1.1.

g) Reclassification of contract assets, which were previously presented as accrued income in current non-financial assets under SCO.

h) Reclassification of prepaid fees originally presented as accrued income in current non-financial assets under SCO.

i) In addition to adjustments mentioned under g) and h) above, additional USD 0.4 m of deferred finance fees have been presented in current borrowings.

j) The amount includes USD 0.5m related to the recognition of the obligation related to Swiss defined benefits pension plans and USD 0.4m related to the recognition of the fair value of certain management incentive plans.

k) USD 5.0m combined historic effects from IFRS 9 application for interest free shareholder loans in terms of equity proportion, accrued interest and FX effects. The counter effect is in retained earnings (see m)),

l) Reclassification of deferred refinancing fees as follows: USD 0.4m explained under i) above.

m) Combined effect of the adjustments mentioned above.


*Image: Geoquip Saentis*

## 3.5. Reconciliation of consolidated statement of financial position as of 31 December 2024

| USD'000 | 31.12.2024 | | | 31.12.2024 |
|---|---|---|---|---|
| **ASSETS** | SCO | IFRS adjustments | | IFRS |
| Property, plant and equipment | 122,938 | 155 | a) | 123,093 |
| Right-of-use assets | - | 12,800 | b) | 12,800 |
| Non-current financial assets | 103 | - | | 103 |
| Deferred tax assets | - | 3,749 | c) | 3,749 |
| **Total non-current assets** | **123,041** | **16,703** | | **139,744** |
| Inventories | 1,949 | - | | 1,949 |
| Trade receivables | 12,437 | (59) | d) | 12,378 |
| Contract assets | - | 9,650 | d) | 9,650 |
| Current financial assets | - | 1,056 | e) | 1,056 |
| Current non-financial assets | 12,848 | (10,336) | f) | 2,512 |
| Cash and cash equivalents | 20,000 | (1,056) | e) | 18,944 |
| **Total current assets** | **47,235** | **(744)** | | **46,491** |
| **Total assets** | **170,276** | **15,959** | | **186,235** |
| **LIABILITIES** | | | | |
| Non-current borrowings | 109,314 | (902) | g) | 108,411 |
| Non-current lease liabilities | - | 1,573 | h) | 1,573 |
| Employee benefits | - | 799 | | 799 |
| Non-current provisions | - | 958 | a) | 958 |
| Deferred tax liabilities | - | 11 | | 11 |
| **Total non-current liabilities** | **109,314** | **2,439** | | **111,753** |
| Current borrowings | 2,112 | 480 | k) | 2,593 |
| Current lease liabilities | - | 16,136 | h) | 16,136 |
| Current provisions | - | 6,740 | i) | 6,740 |
| Trade and other payables | 28,439 | (7,253) | i) | 21,186 |
| Income tax payables | 816 | (202) | j) | 614 |
| Other current non-financial liabilities | 76 | 31 | k) | 107 |
| **Total current liabilities** | **31,444** | **15,933** | | **47,377** |
| **Total liabilities** | **140,758** | **18,372** | | **159,129** |
| **EQUITY** | | | | |
| Share capital | 113 | - | | 113 |
| Capital reserves | 34,032 | - | | 34,032 |
| Reserves | (4,627) | (2,413) | l) | (7,040) |
| **Total equity** | **29,518** | **(2,413)** | | **27,105** |
| **Total equity and liabilities** | **170,276** | **15,959** | | **186,235** |

The are no correction of errors recognized for 2024 financial performance.

The nature of IFRS adjustments is described below:

a) USD 0.2m recognition of leasehold improvement cost related to certain equipment installed on leasehold property. A corresponding dismantling provision of USD 1.0m was recognized under non-current provisions.

b) USD 12.8m Recognition of right-of-use assets and related lease liabilities. Leased assets consist of a vessel and office spaces.

c) Recognition of deferred tax assets and liabilities arising on temporary differences, of tax benefits from losses carry forwards and related impairments.

d) The adjustment includes the reclassification of USD 9.7m to contract assets (previously presented as accrued income in current non-financial assets) and USD 0.1m expected credit loss recognition on trade receivables.

e) Reclassification of USD 1.0m relate to pledged cash in context of performance guarantees in favour of certain customers.

f) Reclassification of USD 0.4m of deferred refinancing fees to current borrowings as well as reclassification of USD 0.2m of income tax receivables (previously netted with income tax payables).

g) Non-current borrowings were also adjusted by USD 0.4m for deferred refinancing fees reclassified from current non-financial assets, as well as by USD 0.5m of refinancing fees previously expensed.

h) Recognition of lease liabilities according to IFRS 16.

i) Reclassification of current provisions and contract liabilities previously reported under trade and other payables as well as accrued interest expenses to current borrowings (refer to comment k).

j) See reclassification described in e) above.

k) Reclassification of deferred finance expenses and accrued interest to current borrowings.

l) Combined effect of the adjustments mentioned above.

## 3.6. Reconciliation of consolidated statement of other comprehensive income for the year ended December 31, 2024

| USD'000 | 2024 | | | 2024 |
|---|---|---|---|---|
| | SCO | IFRS adjustments | | IFRS |
| Defined benefit plans (IAS 19) | - | (182) | a) | (182) |

The IFRS adjustments consist of recognition of defined benefits pension liabilities for the Swiss entities.

*Image: Geoquip Elena*

# 4. Performance

## 4.1. Disaggregation of revenue

While Geoquip Marine operates as a single integrated business and reports one operating segment in accordance with IFRS 8, the Group tracks the intended applications of the offshore geotechnical data it provides to maintain a strategic understanding of the industries and infrastructure types that benefit from its services.

Geoquip Marine's offshore data acquisition, analysis, and reporting processes are designed to support a wide variety of subsea construction and infrastructure projects. The services themselves are consistent across all projects, and the nature of the final offshore installation—whether a wind turbine, oil and gas facility, pipeline, or other structure—does not affect the method of the services rendered. However, in order to gain insights into the broader context of its work, the Group monitors which categories of infrastructure development ultimately make use of its geotechnical data.

The table below presents a breakdown of the Group’s revenues based on the general type of offshore development projects supported during the respective reporting periods:

| USD'000 | 2024 | 2023 | 2022 |
|---|---|---|---|
| Offshore Wind Farms | 107,946 | 102,313 | 84,626 |
| Hydrocarbons | 12,179 | 8,876 | 1,474 |
| Other Renewables & Infrastructure | 9,623 | 821 | 161 |
| **Total** | **129,748** | **112,009** | **86,260** |

The data reflects a sustained concentration of Geoquip Marine’s work in support of offshore wind farm development. Revenues attributable to this application area have grown consistently, increasing from USD 84.6m in 2022 to USD 102.3m in 2023, and further to USD 107.9m in 2024. This development aligns with global trends in renewable energy investment, in particular the accelerated build-out of offshore wind capacity in Europe, North America, and Asia-Pacific. The upward trajectory of activity in this area also reflects Geoquip Marine’s established reputation and technical capabilities within the offshore wind sector.

While still representing a smaller portion of the Group’s overall activity, services connected to hydrocarbon-related offshore infrastructure have also shown notable growth. Revenues in this application area increased from USD 1.5m in 2022 to USD 8.9m in 2023 and further to USD 12.2m in 2024.

Although the relative weight of these two application areas varies from year to year depending on client demand and project timelines, the Group’s operational model remains unified. All projects are executed using the same fleet, technical teams, and reporting standards, and no internal performance evaluation or decision-making is conducted on the basis of these classifications.

## 4.2. Unsatisfied or partially satisfied performance obligations

| USD'000 | 2024 | 2023 | 2022 | 2021 |
|---|---|---|---|---|
| Unsatisfied performance obligations | 75,000 | - | 30,100 | - |
| Partially satisfied performance obligations | 7,000 | 610 | 9,500 | 22,200 |
| **Total** | **82,000** | **610** | **39,600** | **22,200** |

Unsatisfied performance obligations for the periods under review relate to geotechnical site investigation services for offshore wind farm and hydrocarbon projects.

All performance obligations throughout the presented periods were or are expected to be satisfied within the next 12 months, depending on project schedules and client requirements. No unsatisfied obligations extend beyond 12 months.

## 4.3. Contract balances

Geoquip has recognised the following assets and liabilities related to contracts with customers:

| USD'000 | NOTES | 2024 | 2023 | 2022 | 2021 |
|---|---|---|---|---|---|
| Gross trade receivables | 4.3.1 | 12,437 | 7,828 | 11,907 | 13,388 |
| Impairment allowances | 4.3.1 | (59) | (3) | (1,708) | (144) |
| **Trade receivables** | | **12,378** | **7,825** | **10,198** | **13,244** |
| Gross contract assets | 4.3.2 | 9,657 | 4,862 | 2,074 | 5,546 |
| Impairment allowances | 4.3.2 | (7) | (2) | (1) | (2) |
| **Contract assets** | | **9,650** | **4,860** | **2,073** | **5,544** |
| Deferred costs related to contracts with customers | | 239 | - | - | - |
| Contract liabilities | | - | - | 750 | - |

Deferred costs related to contracts with customers are reported under current non-financial assets and relate to prepaid cost to fulfil contracts with customers.

Contract liability in 2022 relates to a prepayment of mobilisation fees received from a client. The performance obligation was delivered in 2023.

## 4.3.1. Trade receivables

Trade receivables are non-interest bearing and are generally due on terms of 30 to 45 days. The ageing of trade receivables and their related expected credit loss for the reported periods are as follows:

| USD'000 | 2024 | | 2023 | | 2022 | | 2021 | |
|---|---|---|---|---|---|---|---|---|
| | Trade receivables | ECL in % | Trade receivables | ECL in % | Trade receivables | ECL in % | Trade receivables | ECL in % |
| Current | 10,328 | 0.07% | 6,210 | 0.04% | 8,106 | 0.04% | 9,805 | 0.04% |
| Overdue for 1 to 30 days | 527 | 0.07% | 535 | 0.04% | 2,029 | 0.04% | 58 | 0.04% |
| Overdue for 31 to 60 days | 66 | 0.07% | - | 0.00% | 33 | 0.04% | 226 | 0.04% |
| Overdue for 60 to 90 days | - | 0.00% | 122 | 0.04% | 34 | 0.04% | - | 0.00% |
| Overdue for over 90 days | 1,516 | 3.37% | 960 | 0.04% | 1,705 | 100.00% | 3,299 | 4.43% |
| **Total** | **12,437** | **0.47%** | **7,828** | **0.04%** | **11,907** | **14.35%** | **13,388** | **1.08%** |

ECL rates are impacted by changes in underlying receivable balances, individually assessed receivables that are excluded in the ECL calculation and changes in the probability of default rate for the period.

| USD'000 | 2024 | 2023 | 2022 | 2021 |
|---|---|---|---|---|
| **Balance at 1 January** | **5** | **1,709** | **146** | **-** |
| Additions | 66 | 5 | 1,709 | 146 |
| Reversal | (5) | (1,709) | (146) | - |
| **Balance at 31 December** | **66** | **5** | **1,709** | **146** |

In 2022, the Group recognized an impairment loss of USD 1.7m related to a legal dispute with a client. The impairment was reversed in 2023, when the claim was successfully concluded through an arbitration, and the customer paid USD 2.0m, which included the reimbursement of legal fees incurred by Geoquip.

## 4.3.2. Contract assets

Contracts assets are presented in the table below:

| USD'000 | 2024 | 2023 | 2022 | 2021 |
|---|---|---|---|---|
| Gross contract assets | 9,657 | 4,862 | 2,074 | 5,546 |
| Expected credit loss in % | 0.07% | 0.04% | 0.04% | 0.04% |
| **Net contract assets** | **9,650** | **4,860** | **2,073** | **5,544** |

From the opening balance of contract assets in 2022 an amount of USD 1.1m has been written off during the period. No contract assets were written off for the financial years 2023 and 2024.

**Accounting policies - Revenue from contracts with customers**

The Group specializes in acquiring, analysing, and interpreting seabed and sub-seabed data to support offshore developments. It offers a range of integrated services including geotechnical site investigations, engineering consultancy, and data interpretation using its fleet of dedicated geotechnical vessels and advanced onboard laboratory capabilities. Those are derived by acquiring data through geotechnical investigation methods and providing later on analysis and advisory. Other revenues as e.g. sale of goods, is rarely happening and not significant.

The Group typically provides bundled service packages, integrating various services to produce a combined output, which forms a single performance obligation. The services within the bundle are not considered distinct in the context of the contract, as they are highly interrelated and interdependent, and are provided as a combined output that the customer expects as a whole. Control of these performance obligations is usually transferred over time. Transfer of control over time is supported if one of the following conditions is met:

- The contract includes provisions that allow the customer to terminate the contract, pay for costs incurred, plus a reasonable profit margin, and take control of any work in progress. The Group does not create assets with alternative uses.
- The customer simultaneously receives and consumes the benefits of the Group's performance as the Group performs.

Revenue is recognized when control of the promised or services is transferred to the customer, reflecting the consideration the Group's entitlement in exchange for those services.

Revenue is measured based on contractually clear transaction prices agreed. Common pricing arrangements include fixed prices, daily rates, or rates per square kilometre. It does exclude amounts collected on behalf of third parties, such as value-added taxes (VAT).

It is common for the Group's contracts to include variable considerations such as liquidated damages, weather standby fees, or discounts, which can either increase or decrease the transaction price. Variable considerations are generally constrained and recognized as revenue only when it is highly probable that the amount will not be subject to significant reversal upon resolution of the uncertainty. This assessment requires management to make significant judgments about future events and outcomes that may not be fully within the Group's control, including project progress, customer behaviour, external environmental conditions (e.g., weather), and legal interpretations of contractual terms. The Group estimates variable consideration using either the expected value method or the most likely amount method, depending on which approach better predicts the amount of consideration to which it will be entitled. Management considers all reasonably available information – including historical, current, and forecast data – and applies judgement to assess constraints on variable consideration. Given the complexity and uncertainty involved in certain customer arrangements, the recognition of variable consideration represents a significant source of estimation uncertainty at the reporting date. No variable considerations were included in revenues for the periods ending on 31 December 2024, 2023 and 2022.

For performance obligations satisfied over time, both revenue and costs are recognized based on the progress towards completion. The method used to measure progress requires judgment and is selected based on the nature of the services provided. The Group generally determines progress using a method that reflects the extent of completion of the performance obligation.

The Group measures progress towards completion by comparing the actual costs incurred for work performed to date with the total estimated costs to complete the performance obligation. In the Group's view, this method best reflects the transfer of control of services to the customer.

The accounting policy for onerous contracts is detailed in note 7.7.

Customer contracts typically include payment terms structured around several instalments based on pre-set contract milestones. The Group does not generally have significant or material financing components in its contracts.

**Contract Assets and Liabilities**

Contract assets are recognised for our conditional right to consideration for completed or partially completed performance obligations under the contract. Account receivables are recognised when the right to consideration becomes unconditional. Payment terms include customised billing schedules over the contract period.

Contract liabilities relate to payments received in advance of performance under the contract. Contract liabilities are released and recognised as revenue when Geoquip satisfied its performance obligation from the contract.

Both contract assets and liabilities are assessed regularly to ensure they are accurate and aligned with the progress of each contract. Any impairment losses on contract assets are recognized promptly, and advances in contract liabilities are recognized as revenue when the performance obligation is satisfied.

## 4.4. Project expenses

| USD'000 | 2024 | 2023 | 2022 |
|---|---|---|---|
| Project-related services | 44,183 | 40,360 | 43,627 |
| *Service Contractors* | *24,733* | *21,377* | *20,312* |
| *Third party services* | *7,247* | *5,869* | *5,835* |
| *Other* | *12,203* | *13,113* | *17,479* |
| Raw materials & consumables | 14,472 | 18,570 | 21,726 |
| *Diesel* | *10,211* | *9,833* | *9,529* |
| *Parts and Materials* | *2,666* | *6,960* | *10,435* |
| *Other* | *1,594* | *1,777* | *1,762* |
| **Total** | **58,654** | **58,930** | **65,353** |

In July 2022, Geoquip Marine Group acquired the geotechnical vessel ELENA. Shortly after the acquisition, the vessel suffered a fire in the engine room, which rendered it inoperable and necessitated a prolonged period of technical repairs. During this unplanned downtime, the Group used the opportunity to carry out significant upgrades and modernisation of the vessel's systems. These activities, which extended into 2023, had a material impact on the Group's project-related expense structure.

Simultaneously, in 2023, the Group initiated a strategic shift in its operating model by outsourcing the management of its fleet to professional third-party ship management companies. This change has contributed to improved vessel utilisation, better cost transparency, and more consistent performance across projects. The full financial impact of these developments is reflected in the changes observed in key categories of project expenses between 2022 and 2024.

Service contractor costs rose from USD 20.3m in 2022 to USD 21.4m in 2023, reflecting the ramp-up of operations following ELENA's return to service. By 2024, these costs increased further to

USD 24.7m, driven by improved fleet availability and the efficiency gains from professionalised crew and maintenance planning.

Third-party service expenditures rose from USD 5.8m in 2022 to USD 7.2m in 2024. This trend reflects the outsourcing of ship management functions, including technical operations, maintenance oversight, compliance management, and procurement logistics. These services were previously embedded within internal operating costs or general administrative overhead.

In 2022, expenses for parts and materials peaked at USD 10.4m, driven by non-recurring repair work on ELENA following the fire damage. The restoration involved substantial component replacements, systems refurbishment, and installation of new equipment. These costs fell to USD 7.0m in 2023, as major upgrades were completed, and dropped further to USD 2.7m in 2024, reflecting a return to normal maintenance cycles and a sustainable procurement pattern

The development in these key cost categories illustrates Geoquip Marine's successful transition from a period characterised by extraordinary technical setbacks and capital investment to a leaner and more efficient operating model. By 2024, the benefits of strategic outsourcing, internal capability alignment, and higher fleet availability are fully visible in the Group's cost structure, supporting the company's operational scalability and project delivery performance.

## 4.5. Other operating expenses

| USD'000 | 2024 | 2023 | 2022 |
|---|---|---|---|
| Building costs | 451 | 160 | 263 |
| Maintenance and Consumables | - | 16 | 160 |
| Insurances | 2,571 | 1,555 | 1,213 |
| Communication and IT cost | 1,364 | 779 | 553 |
| Marketing and Sales cost | 111 | 9 | 149 |
| Professional fees | 2,422 | 1,028 | 1,525 |
| Travel expenses | 1,373 | 732 | 308 |
| Other operational expenses | 670 | 786 | 570 |
| Related parties | 69 | 13 | 13 |
| **Total** | **9,032** | **5,079** | **4,754** |

The increase in other operating expenses reflect the Group's continued investment in project execution, compliance, and operational support aligned with its strategic expansion. The increase was primarily driven by increase in professional fees, reflecting greater reliance on external consultants for strategic and regulatory matters, as well as by the increase of insurance costs and travel expenses, due to expanded coverage in line with project and asset growth and consistent with increased business development and project site visits.

# 5. People

## 5.1. Personnel expenses

The overview of personnel expenses is shown in the table below:

| USD'000 | 2024 | 2023 | 2022 |
|---|---|---|---|
| Wages and salaries | 13,787 | 11,892 | 9,275 |
| Social security contributions | 2,379 | 1,545 | 1,339 |
| Remeasurement of management incentive plan | 141 | (131) | (73) |
| Employee-related costs with related parties | 596 | 564 | 539 |
| Other employee-related costs | 1,092 | 335 | 886 |
| **Total** | **17,995** | **14,205** | **11,967** |

The number of employees at year end is disclosed in the table below:

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| Operational and engineering | 110 | 83 | 58 |
| Management and administrative | 39 | 30 | 33 |
| **Total number of employees** | **149** | **113** | **91** |

## 5.2. Employee benefits

| USD'000 | NOTES | 2024 | 2023 | 2022 | 2021 |
|---|---|---|---|---|---|
| Retirement benefit plans | 5.2.1 | 491 | 277 | 123 | 484 |
| Management incentive plan | 5.2.2 | 309 | 167 | 299 | 371 |
| **Total** | | **799** | **445** | **422** | **855** |

### 5.2.1. Retirement benefit plans

Within Geoquip, different employee benefits plans in line with the respective local requirements are in place. Post-employment benefit plans are classified for IFRS as defined contribution plans if Geoquip pays fixed contributions into separate fund or to a third-party financial institution and will have no further legal or constructive obligation to pay further contributions. All other plans are classified as defined benefit plans.

**Defined contribution plans**

Defined contribution plans are funded through payments by employees and by the Group to funds administered by third parties. The total expenses for these plans amount to USD 0.6m (USD 0.4m in 2023 and 2022 respectively). No assets or liabilities are recognised in respect of such plans, apart from regular prepayments and accruals of the contributions withheld from employees' wages and salaries and of Geoquip's contributions. The Group's major defined contribution plan is in the United Kingdom.

**Defined benefit plans**

Defined benefit plans consist in retirement benefit plans for employees in Switzerland. Current pension arrangements for employees in Switzerland are made through plans governed by the Swiss Federal Occupational Old Age, Survivors and Disability Pension Act (BVG). The Swiss pension plan is administered by a separate, legally independent foundation, which is funded by regular employee and company contributions. A pension plan's most senior governing body (Board of Trustees) must be composed of equal numbers of employee and employer representatives. Plan participants are insured against the financial consequences of old age, disability, and death. The insurance benefits are subject to regulations, with the BVG specifying the minimum benefits that are to be provided. The Board of Trustees is responsible for investing the plan assets. It defines the investment strategy as often as necessary – especially in the case of significant market developments or changes to the structure of the plan participants – at least annually. When defining the investment strategy, it takes account of the foundation's objectives, benefit obligations, and risk capacity. The investment strategy is defined in the form of a long-term target asset structure (investment policy). The aim is to ensure that plan assets and liabilities are aligned in the medium and long term. The final benefit is contribution-based with certain minimum guarantees. Due to these minimum guarantees, the Swiss plans are treated as defined benefit plans for the purpose of these IFRS financial statements.

The main assumptions for the defined benefit obligation on which the actuarial calculations are based can be summarised in the table below:

| Assumptions | 2024 | 2023 | 2022 | 2021 |
|---|---|---|---|---|
| Discount rate | 1.00% | 1.50% | 2.20% | 0.40% |
| Future salary increase | 1.50% | 1.50% | 1.50% | 1.50% |

In determining the appropriate discount rate, management considers the interest rates of corporate bonds in currencies consistent with the currencies of the post-employment benefit obligation with at least an 'AA' rating or above, as set by an internationally acknowledged rating agency, and extrapolated as needed along the yield curve to correspond with the expected term of the defined benefit obligation.


*Image: Geoquip Speer*

The mortality rate is based on publicly available mortality in Switzerland. Future salary increases are based on Geoquip's long-term plans, while pension increases are based on the expected rates of the pension fund considering its financial position.

The amounts recognised in the statement of financial performance as social security contributions and in other comprehensive income are summarised in the tables below:

| USD'000 | 2024 | 2023 | 2022 |
|---|---|---|---|
| **Employee benefit expenses** | | | |
| Service cost | 262 | 70 | 154 |
| *Current service cost* | *211* | *108* | *154* |
| *Past service cost* | *51* | *(38)* | *-* |
| Net interest costs | 4 | 3 | 2 |
| Administrative expenses | 1 | 1 | 1 |
| **Total defined benefit cost (+) / gain (-) of the year** | **267** | **73** | **157** |
| **Valuation components accounted for in OCI** | | | |
| Actuarial gains (-) / losses (+) | 228 | 226 | (566) |
| *Arising from changes in demographic assumptions* | *1* | *(5)* | *-* |
| *Arising from changes in financial assumptions* | *243* | *202* | *(362)* |
| *Arising from experiences* | *(16)* | *28* | *(204)* |
| Return on reimbursement (excluding amounts in net interest) | (33) | (26) | 172 |
| Exchange rate differences | 17 | (41) | - |
| Taxes | (30) | (23) | 57 |
| **Total defined benefit cost (+) / gain (-) recognised in OCI** | **182** | **136** | **(337)** |

*Image: Geoquip Graduates*

The changes in the defined benefit obligation and pension assets are summarised in the following tables:

| USD'000 | 2024 | 2023 | 2022 |
|---|---|---|---|
| **Defined benefit obligation as at 1 January** | **1,931** | **1,054** | **2,236** |
| Current service cost | 211 | 108 | 154 |
| Contributions by plan participants | 143 | 132 | 116 |
| Interest expenses on the net present value of the obligations | 31 | 32 | 8 |
| Benefits paid | 42 | 403 | (887) |
| Actuarial gains or losses | 228 | 226 | (566) |
| Past service cost | 51 | (38) | - |
| Administrative expenses | 1 | 1 | 1 |
| Exchange rate differences | (20) | 13 | (8) |
| **Defined benefit obligation as at 31 December** | **2,619** | **1,931** | **1,054** |
| **Fair value of plan assets as at 1 January** | **1,654** | **931** | **1,752** |
| Contributions by plan participants | 143 | 132 | 116 |
| Contributions by the employer | 230 | 132 | 116 |
| Return on plan assets excluding interest income | 33 | 26 | (172) |
| Interest income on plan assets | 27 | 29 | 6 |
| Benefits paid | 42 | 403 | (887) |
| **Fair value of plan assets as at 31 December** | **2,128** | **1,654** | **931** |
| **Net defined benefit obligation as of 31 December** | **491** | **277** | **123** |

The future expected contribution to defined benefit plans for the year 2025 amounts to USD 0.2m.

Changes in the actuarial assumptions would lead to the following defined benefit obligation:

| USD'000 | 2024 | 2023 | 2022 |
|---|---|---|---|
| 25 basis point decrease in discount rate | 2,678 | 2,081 | 1,065 |
| 25 basis point increase in discount rate | 2,457 | 1,920 | 990 |
| 25 basis point decrease in rate of salary increase | 2,537 | 1,983 | 1,015 |
| 25 basis point increase in rate of salary increase | 2,597 | 2,018 | 1,036 |
| 25 basis point decrease in rate of pension increase | 2,513 | 1,961 | 1,009 |
| 25 basis point increase in rate of pension increase | 2,617 | 2,036 | 1,044 |
| 1 year increase in life expectation | 2,595 | 2,021 | 1,036 |
| 1 year decrease in life expectation | 2,532 | 1,974 | 1,016 |

Plan participants are split as follows:

| Plan participants | 2024 | 2023 | 2022 | 2021 |
|---|---|---|---|---|
| Active | 19 | 16 | 12 | 15 |
| Retired | 1 | 1 | 1 | - |

The defined benefit pension assets consist of the following quoted asset categories:

| Composition of assets - Express in % | 2024 | 2023 | 2022 | 2021 |
|---|---|---|---|---|
| Equity instruments | 34.57% | 33.63% | 33.05% | 34.91% |
| Bonds | 33.63% | 33.59% | 32.93% | 34.52% |
| Real estate | 24.08% | 24.92% | 27.25% | 24.22% |
| Cash and cash equivalents | 1.57% | 3.08% | 3.12% | 3.48% |
| Others | 6.16% | 4.78% | 3.65% | 2.87% |
| **Total investments in USD'000** | **2,073** | **1,720** | **903** | **1,752** |

**Accounting policies – Post employment benefits**

Obligations for contributions to defined contribution plans are recognised as an expense when the employee has rendered the associated service. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction to future employer contributions is available to Geoquip.

The net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefits that employees have earned in return for their service in the current and prior periods, deducted by the fair value of any plan assets.

The cost of the defined benefit pension plan and the present value of the pension obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The liability is calculated using the projected unit credit method, with independent actuarial valuations being carried out at the end of each reporting period. All changes in the net defined benefit liability are recognised as they occur. Current and past service costs, settlement gains or losses and net interest on the net defined liability are recognised in the statement of profit or loss. Actuarial gains and losses, return on plan assets, less interest on plan assets and any change in the effect of the asset ceiling are recognised in other comprehensive income.

Net interest on the net defined benefit liability is comprised of interest income on plan assets, interest cost on the defined benefit obligation and interest on the effect of the limit on the recognition of pension assets. The net interest is calculated using the same discount rate that is used in calculating the defined benefit obligation, applied to the net defined liability at the start of the period, taking account of any changes from contribution or benefits payments.

### 5.2.2. Management incentive plan

The Group has implemented a cash-settled Management Incentive Plan (MIP) arrangement for selected employees and shareholders. The plan includes a defined payout scheme, based on the value of the Company's equity at the time of a liquidity event. The MIP becomes effective upon the occurrence of a trade sale or liquidity event and full vesting occurs immediately upon the liquidity event. The bonus programme will be settled in cash, calculated with reference to the equity value of the Company.

The MIP fair value has been determined applying a Monte Carlo simulation model and a discounted cash flow (DCF) approach for enterprise value calculations. The valuation considers various future liquidity event scenarios, and the associated probabilities as follows:

- Trade occurrence probability: management assessed the probability of a trade event occurring during 2022, 2023, and 2024 as 1.25% based on no active efforts, inquiries, or strategic plans to sell the company during this period.
- Discount rates for enterprise value calculations: final WACC rates are interpolated from the provided data using the capital structure and market assumptions.
- Probability of retention: the Group assumes high likelihood of management and key shareholders staying with the company even post-trade event, supporting long-term continuity.

The fair value assigned to share-based payments were primarily driven by the agreed MIP payouts, the estimated equity value at the measurement date and the probability of a liquidity event. No such event is currently planned or expected as of the reporting date.

| USD'000 | 2024 | 2023 | 2022 | 2021 |
|---|---|---|---|---|
| **Balance at 1 January** | **167** | **299** | **371** | **-** |
| Remeasurements (recognized in personnel expenses) | 141 | (131) | (73) | 371 |
| **Balance at 31 December** | **309** | **167** | **299** | **371** |

Changes in the WACC and EBITDA margins would lead to the following impacts in the statement of financial performance:

| USD'000 | 2024 | 2023 | 2022 |
|---|---|---|---|
| 100 basis point increase EBITDA margin & 50 basis point decrease WACC | 96 | 27 | 34 |
| 100 basis point decrease EBITDA margin & 50 basis point increase WACC | (51) | (23) | (30) |

**Accounting policies – Management incentive plan**

Bonus Program is classified as cash-settled, as it will be settled in cash based on the value of the Group's equity instruments. A liability is recognized for the services received, measured initially and at each reporting date at the fair value of the expected future payment. Changes in the fair value of the liability are recognized in profit or loss until the liability is settled.

The valuation is based on management's estimate of the probability, timing, and value of a future liquidity event and involves significant judgment, estimates, and assumptions.

*Image: Project Manager*

# 6. Capital and financial risk management

## 6.1. Capital management

The Group defines capital as equity and debt, comprising issued capital, shareholder loans and interest-bearing liabilities, including a revolving credit facility. The primary objective of capital management is to optimise shareholder value while ensuring the Group maintains the financial flexibility to support ongoing business growth.

The Group manages its capital structure through a combination of securing bank financing and shareholder funding, considering operational needs, prevailing economic conditions, and liquidity requirements. The Group does not maintain fixed targets for leverage or gearing ratios but seeks to maintain an appropriate balance between equity and debt.

The Group’s financing arrangements include certain externally imposed capital requirements, comprising a maximum leverage ratio (net debt to last twelve months' EBITDA) of 2.5x and, from 2023, a minimum liquidity requirement of USD 2.5 m. Following discussions with lenders in 2022, the terms of the revolving credit facility were successfully amended in 2023 to align covenant thresholds with the Group’s evolving business profile. The Group has complied with all financial covenants as at and for the years ended 31 December 2024 and 2023.

Liquidity management is a key component of the Group’s capital management framework. The Group actively monitors its liquidity position to ensure it has sufficient financial resources to meet operational and strategic objectives, including compliance with all debt covenant obligations.

The Group also provides performance guarantees in relation to certain projects. These guarantees are largely supported by insurance provided by the Swiss Export Credit Agency (SERV), limiting the Group’s direct guarantee collateral to 5%-10% of the guaranteed amounts.

There were no significant changes in the objectives, policies, or processes for managing capital during the years ended 31 December 2024, 2023, and 2022.

Subsequent to the reporting date, in April 2025, the Group issued a €100 million senior secured bond. The proceeds were used to refinance the outstanding revolving credit facility and to further strengthen the Group’s financial flexibility. For further details, refer to Note 8.4.

## 6.2. Shareholders’ equity

Geoquip Holding AG issued 100.000 authorised and registered shares with a par value of CHF 1 (fully paid-in), equalling a share capital of CHF 100.000 (USD 113.378.69).

## 6.3. Financial risk management policies

### 6.3.1. Risk management overview

The Group is exposed to market risk, credit risk and liquidity risk arising from its financial instruments.

The Board of Directors is responsible for overseeing the Group's risk management framework. Responsibility for the identification, monitoring and management of financial risks is delegated to the Chief Financial Officer (CFO). Financial risks are monitored on a regular basis, with liquidity risk reviewed monthly through cash flow reporting to the Board. Other financial risks are managed on a case-by-case basis in connection with specific transactions.

The Group does not apply derivative financial instruments or hedging strategies as part of its risk management approach.

#### Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk, namely foreign currency risk, interest rate risk and other price risk, for example equity price risk. Financial instruments affected by market risks include loans and borrowings and deposits.

#### Foreign currency risk

Main foreign exchange rates used for the consolidated financial statements as of December 31, 2024, 2023 and 2022 are as follows:

| | | 2024 | 2023 | 2022 | 2021 |
|---|---|---|---|---|---|
| CHF | Spot Rate | 1.103 | 1.188 | 1.075 | 1.093 |
| EUR | Spot Rate | 1.036 | 1.105 | 1.087 | 1.133 |
| GBP | Spot Rate | 1.252 | 1.276 | 1.220 | 1.350 |
| CHF | Average Rate | 1.134 | 1.117 | 1.053 | 1.096 |
| EUR | Average Rate | 1.079 | 1.082 | 1.064 | 1.183 |
| GBP | Average Rate | 1.278 | 1.246 | 1.250 | 1.379 |

Foreign currency risk is the risk that the fair values of expected future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities when revenue or expense is denominated in a foreign currency.

The table below shows the Group's largest exposure to foreign currencies at the end of every reported year, The currency exposure refers to the position as of 31 December and may differ among reported periods:

| USD'000 | 31.12.2024 | | 31.12.2023 | | 31.12.2022 | |
|---|---|---|---|---|---|---|
| | CHF/USD | EUR/USD | CHF/USD | GBP/USD | CHF/USD | EUR/USD |
| Trade receivables | - | 4,805 | - | 348 | - | 7,175 |
| Current financial assets | 1,248 | 70 | 1,257 | 184 | 1,213 | - |
| Cash and cash equivalents | 91 | 5,959 | 198 | 421 | 450 | 3,629 |
| **Total balance sheet exposure assets** | **1,340** | **10,834** | **1,455** | **952** | **1,663** | **10,804** |
| Borrowings | (34,920) | - | (36,445) | - | (31,710) | - |
| Lease liabilities | (812) | - | (1,027) | (709) | (1,073) | - |
| Trade and other payables | (454) | (1,133) | (570) | (1,151) | (2,190) | (4,333) |
| **Total balance sheet exposure iabilities** | **(36,186)** | **(1,133)** | **(38,041)** | **(1,859)** | **(34,973)** | **(4,333)** |
| **Net balance sheet exposure** | **(34,846)** | **9,701** | **(36,586)** | **(907)** | **(33,310)** | **6,471** |

The information in the table above (at amortised costs) on Geoquip's currency exposure is the basis for the sensitivity analysis reported below. The sensitivity analysis is performed for each significant currency relation and is based on reasonable possible changes in foreign currency rates. Management considers a 5% movement to represent a reasonably possible change over the short to medium term on stress testing and risk disclosure. The use of a +/-5% shift aligns with industry practice and allows comparability across reporting periods and with peer companies.

| | 2024 | | | 2023 | | | 2022 | | |
|---|---|---|---|---|---|---|---|---|---|
| | | +5% | -5% | | +5% | -5% | | +5% | -5% |
| CHF | 1.103 | 1.159 | 1.048 | 1.188 | 1.247 | 1.128 | 1.075 | 1.129 | 1.022 |
| EUR | 1.036 | 1.087 | 0.984 | 1.105 | 1.160 | 1.050 | 1.087 | 1.141 | 1.033 |
| GBP | 1.252 | 1.315 | 1.190 | 1.276 | 1.339 | 1.212 | 1.220 | 1.280 | 1.159 |

A change of the following currency rates on December 31, 2024, 2023 and 2022 would have increased (decreased) profit or loss by the amounts shown below:

| USD'000 | 2024 | | 2023 | | 2022 | |
|---|---|---|---|---|---|---|
| | CHF/USD | EUR/USD | CHF/USD | GBP/USD | CHF/USD | EUR/USD |
| PL impact with 5% increase | (1,923) | 502 | (2,173) | (58) | (1,791) | 352 |
| PL impact with 5% decrease | 1,923 | (502) | 2,173 | 58 | 1,791 | (352) |

### INTEREST RATE RISK

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Financial assets and liabilities at variable interest rates expose the Group to cash flow interest rate risk, while financial assets and liabilities at fixed interest rates expose the Group to fair value interest rate risk. The values in the table below are presented at amortised costs.

| USD'000 | 31.12.2024 | 31.12.2023 | 31.12.2022 |
|---|---|---|---|
| **Fixed rate instruments** | | | |
| Borrowings | (49,314) | (48,724) | (37,236) |
| Lease liabilities | (17,710) | (32,008) | (40,687) |
| **Total fixed rate intruments** | **(67,023)** | **(80,732)** | **(77,923)** |
| **Variable rate instruments** | | | |
| Borrowings | (61,691) | (39,199) | (39,243) |
| Cash and cash equivalents | 18,944 | 16,871 | 8,284 |
| **Total variable rate intruments** | **(42,747)** | **(22,327)** | **(30,959)** |

A change of the interest rates on 31 December 2024, would have increased (decreased) profit or loss by the amounts shown below. An opposite change of the interest rates would have the opposite effect. This analysis assumes that all other variables, in particular currency rates, remain constant.

| USD'000 | 2024 | 2023 | 2022 |
|---|---|---|---|
| PL impact with 100 basis point increase | (427) | (223) | (310) |
| PL impact with 100 basis point decrease | 427 | 223 | 310 |

### Credit Risk

Credit risk is the risk that a counterparty fails to meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risks from its operating activities (primarily trade receivables and contract assets), from loans granted to its related parties and from deposits with banks and financial institutions.

The maximum exposure to credit risk at the reporting dates, excluding any collateral held or other credit enhancements, is illustrated in the table below.

| USD'000 | 31.12.2024 | 31.12.2023 | 31.12.2022 | 01.01.2022 |
|---|---|---|---|---|
| **ASSETS** | | | | |
| Non-current financial assets | 103 | 110 | - | - |
| Trade receivables | 12,378 | 7,825 | 10,198 | 13,244 |
| Contract assets | 9,650 | 4,860 | 2,073 | 5,544 |
| Current financial assets | 1,056 | - | - | 1,768 |
| Cash and cash equivalents | 18,944 | 16,871 | 8,284 | 8,480 |
| **Total assets** | **42,132** | **29,666** | **20,556** | **29,036** |

Generally, no collaterals exist, thus the maximum exposure to credit risk corresponds to the statement of financial position value.

### Liquidity Risk

Liquidity risk is the risk that the Group is no longer able to meet its financial obligations. To mitigate this risk, the Group performs a rolling liquidity planning and monitors its credit facilities accordingly.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments, which includes interest payments:

| USD'000 | Up to 3 months | 4 - 6 months | 6 -12 months | 1 - 5 years | more than 5 years | Total |
|---|---|---|---|---|---|---|
| **31 December 2022** | | | | | | |
| Borrowings | 650 | 650 | 1,300 | 49,100 | 45,150 | **96,850** |
| Lease liabilities | 2,145 | 2,191 | 4,472 | 31,366 | 514 | **40,687** |
| Other non-curent liabilities | 1,322 | - | - | - | - | **1,322** |
| Trade and other payables | 20,865 | - | - | - | - | **20,865** |
| Other liabilities | 2,914 | - | - | - | - | **2,914** |
| **Total liabilities** | **27,896** | **2,841** | **5,772** | **80,466** | **45,663** | **162,637** |
| **31 December 2023** | | | | | | |
| Borrowings | 738 | 738 | 1,476 | 47,380 | 71,228 | **121,560** |
| Lease liabilities | 3,504 | 3,519 | 7,207 | 17,312 | 467 | **32,008** |
| Other non-curent liabilities | 1,373 | - | - | - | - | **1,373** |
| Trade and other payables | 16,587 | - | - | - | - | **16,587** |
| Other liabilities | 4,575 | - | - | - | - | **4,575** |
| **Total liabilities** | **26,777** | **4,257** | **8,683** | **64,692** | **71,695** | **176,103** |
| **31 December 2024** | | | | | | |
| Borrowings | 1,190 | 1,190 | 2,379 | 67,137 | 83,715 | **155,610** |
| Lease liabilities | 3,567 | 4,003 | 8,566 | 1,031 | 543 | **17,710** |
| Other non-curent liabilities | 1,768 | - | - | - | - | **1,768** |
| Trade and other payables | 21,698 | - | - | - | - | **21,698** |
| Other liabilities | 7,462 | - | - | - | - | **7,462** |
| **Total liabilities** | **35,685** | **5,193** | **10,945** | **68,168** | **84,258** | **204,247** |

## 6.4. Categories and details of financial instruments

The following table shows the categories of financial instruments:

| USD'000 | NOTES | 31.12.2024 | 31.12.2023 | 31.12.2022 | 01.01.2022 |
|---|---|---|---|---|---|
| **Financial assets at amorised cost** | | | | | |
| Trade receivables | 4.3 | 12,378 | 7,825 | 10,198 | 13,244 |
| Contract assets | 4.3 | 9,650 | 4,860 | 2,073 | 5,544 |
| Financial assets | 7.4 | 1,159 | 110 | - | 1,768 |
| Cash and cash equivalents | | 18,944 | 16,871 | 8,284 | 8,480 |
| **Total assets at amortised cost** | | **42,132** | **29,666** | **20,556** | **29,036** |
| **Financial liabilities at amortised cost** | | | | | |
| Borrowings | 6.5 | 111,004 | 87,923 | 76,479 | 49,143 |
| Lease liabilities | 6.5 | 17,710 | 32,008 | 40,687 | 47,752 |
| Trade and other payables | 7.5 | 21,186 | 16,352 | 20,865 | 21,716 |
| **Total liabilities at amortised cost** | | **149,900** | **136,283** | **138,032** | **118,610** |
| **Financial liabilities at fair value trough profit or loss** | | | | | |
| Management incentive plan (level 3) | 5.2 | 309 | 167 | 299 | 371 |
| **Total financial liabilities at FVTPL** | | **309** | **167** | **299** | **371** |

The fair value levels for the statement of financial position items cash equivalents, trade receivables, contract assets and financial assts, as well as trade and other payables that are not measured at fair value are not disclosed separately since their carrying amounts represent a reasonable approximation of the fair value in view of the short-term nature of these financial instruments.

Refer to note 6.5.2 for the fair value of borrowings from shareholders.

**Accounting policies – Financial instruments**

The Group owns mostly financial assets and financial liabilities at amortised cost.

The Group measures financial assets at amortised cost when the financial asset is held within a business model with the objective to hold financial assets to collect contractual cash flows and when the contractual terms of the financial asset give rise on specified dates to cash flows that are 'solely payments of principal and interest' on the principal amount outstanding (SPPI-Test). Financial assets at amortised cost are subsequently measured using the effective interest method (EIR) and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified, or impaired.

The Group recognises an allowance for expected credit losses (ECL's) for all financial assets at amortised costs.

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECL's. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions, which affects both, the individual assessment for the recoverability risk of overdue trade receivables and the determination of the probability of default rate, which is used to calculate ECLs for all contract assets, undue trade accounts receivable and not individually impaired trade accounts receivable.

Therefore, the Group does not track changes in credit risk but instead recognises a loss allowance based on lifetime ECL's at each reporting date. Lifetime ECL's are estimated using a two-step approach:

- Individually significant customers: on a quarterly basis, overdue trade receivables higher than USD 20k are individually assessed for recoverability risk and an allowance is recorded for amounts for which recoverability is critical.
- General portfolio: the Group analyses the turnover by country covering 90% of total revenue and determines the 12-month PD for each country, and separately for any listed customers within that turnover range. The final ECL rate is derived by taking a 50/50 weighted average of the average 12-month PD of the identified countries, and the average 12-month PD of the listed customers. This method balances macroeconomic risk factors with entity-specific credit information, reflecting the nature of the Group's customer base. The resulting ECL rate is applied to the gross carrying amount of trade receivables not individually impaired.

The Group's financial liabilities include interest bearing liabilities, lease liabilities, trade and other payables, and accrued expenses. After initial recognition at fair value, interest-bearing liabilities and lease liabilities are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as financial expenses.

The net present value of lease liabilities is measured using the incremental borrowing rate (IBR). The estimate of IBR requires estimation of the interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds to obtain the asset. The Group estimates the IBR using observable inputs when available and is required to make certain entity-specific estimates.

Cash and cash equivalents consist of cash at banks.

## 6.5. Changes in liabilities arising from financing activities

Changes in liabilities arising from financing activities and lease liabilities are disclosed in the table below:

| USD'000 | Shareholder borrowings | Bank borrowings | Total borrowings | Lease liabilities |
|---|---|---|---|---|
| **Balance at 1 January 2022** | **29,750** | **19,393** | **49,143** | **47,752** |
| Proceeds | 6,660 | 39,162 | 45,822 | - |
| Reimbursements | - | (18,893) | (18,893) | (6,896) |
| Interest accrued | 1,317 | 1,886 | 3,203 | 1,535 |
| Interest paid | - | (1,399) | (1,399) | (1,535) |
| Exchange rate differences | (490) | (907) | (1,396) | (169) |
| **Balance at 31 December 2022** | **37,236** | **39,243** | **76,479** | **40,687** |
| thereof non-current | 37,236 | - | 37,236 | 31,879 |
| thereof current | - | 39,243 | 39,243 | 8,807 |
| | | | | |
| **Balance at 1 January 2023** | **37,236** | **39,243** | **76,479** | **40,687** |
| Proceeds | 7,500 | - | 7,500 | - |
| Paid financing fees | – | (528) | (528) | – |
| Reimbursements | (2,344) | - | (2,344) | (8,819) |
| Interest accrued | 3,274 | 3,974 | 7,248 | 1,264 |
| Interest paid | (156) | (3,490) | (3,646) | (1,264) |
| Exchange rate differences | 3,214 | - | 3,214 | 141 |
| **Balance at 31 December 2023** | **48,724** | **39,199** | **87,923** | **32,008** |
| thereof non-current | 48,724 | 38,963 | 87,687 | 17,779 |
| thereof current | - | 235 | 235 | 14,229 |
| | | | | |
| **Balance at 1 January 2024** | **48,724** | **39,199** | **87,923** | **32,008** |
| Proceeds | - | 21,921 | 21,921 | - |
| Reimbursements | - | - | - | (14,223) |
| Interest accrued | 3,125 | 3,632 | 6,757 | 876 |
| Interest paid | - | (3,061) | (3,061) | (876) |
| Exchange rate differences | (2,535) | - | (2,535) | (76) |
| **Balance at 31 December 2024** | **49,314** | **61,691** | **111,004** | **17,710** |
| thereof non-current | 49,314 | 59,098 | 108,411 | 1,573 |
| thereof current | - | 2,593 | 2,593 | 16,136 |

### 6.5.1. Borrowings from banks

In July 2022 the Group successfully refinanced its existing credit facilities with KBC Bank N.V. ("KBC") and NIBC Bank N.V. ("NIBC") through a new revolving credit facility of USD 40.0m with National Westminster Bank Plc ("NatWest"). The refinancing marked a strategic step in consolidating the Group's debt structure and enhancing its liquidity flexibility.

The facility uses the secured overnight financing rate (SOFR) plus a margin which is dependent on leverage ratio during the reported period. The margin varies between 1.65% and 2.20% The borrowing matures in July 2027 and is subject to the covenants, that the leverage ratio must not exceed 2.5 on any testing day. Covenants are tested quarterly.

At the end 2022, the Group did not meet its financial leverage covenant under the NatWest facility due to a lower-than-expected EBITDA. The covenant was waived by the bank, as a performance improvement plan has been agreed. The borrowing has been reclassified as short-term for the year ended on 31 December 2022. As part of the waiver conditions, the agreement was amended to include an additional covenant of USD 2.5m minimum liquidity.

The Group was in compliance with covenants for the financial years 2023 and 2024.

### 6.5.2. Borrowings from shareholders

In 2018 the Group received USD 34.7m of unsecured interest free borrowing from the shareholders. The borrowing was initially recognised at its fair value, determined using a market interest rate at the date of inception, amounting to USD 23.5 million. The difference between the proceeds received and the initial carrying amount was recognised directly in equity. Between October 2022 and May 2023, the Group experienced significant liquidity constraints primarily linked to the vessel ELENA accident. To address the temporary working capital shortfall and to ensure continuity to the business, the Group's shareholders provided critical financial support through a series of unsecured, interest-bearing loans.

The borrowings granted amounted to USD 14.2m, out of which USD 6.7m granted in 2022 bearing an interest of 8% and USD 7.5m granted in 2023 bearing an interest of 20%. In 2023 the Group was in default of the NatWest bank borrowing and the company was considered not creditworthy as didn't have any asset to collateralize. The interest rate was determined using a spread applicable to D rating companies at the time the borrowing was granted.

All borrowings are subordinated to the reimbursement of the bank borrowings and the repayment of USD 2.5m in 2023 were authorised by the bank. Management's assessment on the interest free borrowings from shareholders is that in 2025 the conditions will be met to treat these borrowings as equity. Therefore, the borrowings are classified as long-term liabilities as of December 31, 2024.

The fair value of all shareholders borrowings as of year-end 2024 amounts to USD 57.7m.

### 6.5.3. Lease liabilities

As of 31 December 2024, the Group recognised lease liabilities in respect of its fleet, office buildings, and equipment. The total lease liability recognised amounts to USD 17.8m. The Group's future undiscounted lease payment obligations under non-cancellable leases are presented as follows:

| | Interests | Lease amortization |
|---|---|---|
| Due within 1 year | 355 | 16,136 |
| Due within 2 years | 10 | 963 |
| Due after 2 years | 16 | 610 |
| **Balance at 31 December 2024** | **382** | **17,710** |

The Group has not entered any significant sale-and-leaseback transactions, nor does it hold material leases that are classified as short-term or of low value for which the IFRS 16 exemptions are applied. Refer to note 7.2 for leasing accounting policy.

## 6.6. Financial income and expenses

| USD'000 | 2024 | 2023 | 2022 |
|---|---|---|---|
| Interest expenses on shareholder borrowings | (3,125) | (3,274) | (1,317) |
| Interest expenses on bank borrowings | (3,632) | (3,974) | (1,886) |
| Interest expenses on lease liabilities | (876) | (1,264) | (1,535) |
| Other financial expenses | (517) | (173) | (212) |
| Interest income on bank accounts | - | - | 1 |
| **Total** | **(8,151)** | **(8,684)** | **(4,949)** |

Financial expenses primarily comprise interest expenses on bank and shareholder borrowings, lease liabilities, and other financial expenses.

*Image: Dina Polaris*

# 7. Operating assets and liabilities

## 7.1. Property plant & Equipment

Geoquip Marine's property, plant and equipment consists primarily of vessels and drilling related equipment.

| USD'000 | Total | Vessels | Drilling Equipment | AuC* | Property | Other |
|---|---|---|---|---|---|---|
| **Balance at 1 January 2022** | | | | | | |
| Cost | 103,740 | 36,132 | 64,234 | 245 | 593 | 2,536 |
| Acc. depreciation & impairment | (27,975) | (4,065) | (23,562) | - | (52) | (297) |
| **Net balance at 1 January 2022** | **75,765** | **32,067** | **40,672** | **245** | **542** | **2,240** |
| Additions | 29,989 | 25,861 | 3,978 | - | 149 | - |
| Transfers from AuC | - | 88 | - | (88) | - | - |
| Depreciations | (9,214) | (3,966) | (4,863) | - | (114) | (271) |
| Impairments | (3,276) | (3,276) | - | - | - | - |
| Currency effects | 7 | - | - | - | 7 | - |
| Disposal | (662) | - | - | - | (56) | (606) |
| **Net balance at 31 December 2022** | **92,609** | **50,775** | **39,787** | **157** | **527** | **1,363** |
| Cost | 133,067 | 62,081 | 68,212 | 157 | 686 | 1,930 |
| Acc. depreciations & impairments | (40,458) | (11,306) | (28,425) | - | (159) | (567) |
| | | | | | | |
| **Net balance at 1 January 2023** | **92,609** | **50,775** | **39,787** | **157** | **527** | **1,363** |
| Additions | 13,598 | 8,460 | 5,069 | - | 69 | - |
| Transfers from AuC | - | - | 157 | (157) | - | - |
| Depreciations | (11,300) | (5,453) | (5,443) | - | (176) | (227) |
| Disposal | (299) | - | - | - | - | (299) |
| **Net balance at 31 December 2023** | **94,608** | **53,782** | **39,569** | **-** | **421** | **837** |
| Cost | 146,366 | 70,541 | 73,438 | - | 756 | 1,631 |
| Acc. depreciations & impairments | (51,758) | (16,759) | (33,869) | - | (335) | (795) |
| | | | | | | |
| **Net balance at 1 January 2024** | **94,608** | **53,782** | **39,569** | **-** | **421** | **837** |
| Additions | 41,527 | 29,707 | 6,302 | 3,172 | 2,347 | - |
| Depreciations | (13,042) | (6,403) | (5,729) | - | (712) | (199) |
| **Net balance at 31 December 2024** | **123,093** | **77,085** | **40,142** | **3,172** | **2,056** | **638** |
| Cost | 187,893 | 100,248 | 79,739 | 3,172 | 3,103 | 1,631 |
| Acc. depreciations & impairments | (64,800) | (23,162) | (39,597) | - | (1,047) | (994) |

* Assets under construction

### Vessels

In 2022, the Group acquired the vessel ELENA for a price of USD 17m. As a result of a major accident occurred after its deployment, an impairment of USD 3.3m was recognised. As part of the ELENA repair and simultaneous upgrade the Group invested USD 4.1m. The remaining additions of USD 4.7m relates to major maintenance on other vessels.

In 2023, additions relate to further upgrade on the vessel ELENA in the amount of USD 2.7m and to the beginning of major maintenance on other vessels for USD 5.2 m.

To strengthen the Group's operational capacity, in 2024 the Group acquired SILVRETTA for a price of USD 19.2m, while the major maintenance of other vessels initiated in 2023 was completed and resulted in additional costs of USD 10.5m.

### Drilling equipment

The Group's drilling equipment forms a critical operational asset class, supporting offshore site investigation, seabed sampling, and geotechnical analysis. The assets include onboard hydraulic drill rigs, seabed cone penetration testing units (CPTs), vibrocorers, winch systems, deployment frames, drill strings, and data acquisition modules.

Drilling equipment is tightly integrated with the Group's vessel assets and is deployed on offshore projects globally. Much of the equipment is customised and modular, enabling it to be mobilised across the fleet depending on project requirements. The equipment is constantly upgraded, It e.g. includes high-capacity seabed systems that are essential for performing deep borehole drilling and high-resolution geotechnical investigations.

### Assets under construction

As of December 2024, assets under construction related fully to the refitting of the new vessel SILVRETTA.

### Property

Property includes improvements to real estate and land-based infrastructure used for operational support and administration. Additions relate mainly to internal modifications and technical upgrades to improve capacity and operational workflow.

### Other assets

The "Other" asset class includes IT hardware, office equipment, furniture and one operational leasehold improvements (rig installation on chartered vessel).

Across all asset categories, the Group identified no material disposals and no impairment indicators in 2023 or 2024. No borrowing costs were capitalised during the period.

The following assets are pledged in favour of financial institutions:

| USD'000 | | 2024 | 2023 | 2022 |
|---|---|---|---|---|
| Asset type | Name | | | |
| Vessel + Rig | Geoquip Seehorn + GMR 602 | 13,771 | 13,967 | 12,799 |
| Vessel + Rig | Geoquip Saentis + GMR 600 | 14,643 | 11,837 | 10,480 |
| Vessel + Rig | Investigator + GMR 300 | - | 1,705 | 1,975 |
| Vessel | Geoquip Elena | 24,095 | 20,661 | 19,366 |
| Vessel | Geoquip Silvretta | 19,205 | - | - |
| Rig | GMTR 150 | 12,628 | 14,305 | 14,675 |
| Rig | GMTR 120 | 14,011 | 11,503 | 11,500 |
| Rig | GMR 302 | 10,325 | 4,679 | 4,935 |
| **Total** | **Total** | **108,677** | **78,656** | **75,731** |

The Group has USD 5.6m capital commitments for the refitting of vessel SILVRETTA.

### Accounting policies – Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced or disposed of. All other repairs and maintenance are charged to income statement during the reporting period in which they are incurred.

Depreciation is recognised in the income statement on a straight-line basis over the estimated useful lives of each component of an item of tangible fixed asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

The useful life for 2024 and the comparative periods are as follows:

| Category | Useful life | Method |
|---|---|---|
| Vessels | 10 - 20 years | linear |
| Drilling Equipment | 10 - 15 years | linear |
| Property | 3 - 10 years | linear |
| Other | 3 - 10 years | linear |

## 7.2. Right of use assets

| USD'000 | Total | Vessel | Buildings |
|---|---|---|---|
| **Balance at 1 January 2022** | | | |
| Cost | 47,752 | 44,882 | 2,869 |
| Accumulated depreciations | - | - | - |
| **Net balance at 1 January 2022** | **47,752** | **44,882** | **2,869** |
| Depreciations | (11,701) | (11,105) | (596) |
| **Net Balance at 31 December 2022** | **36,050** | **33,777** | **2,273** |
| Cost | 47,752 | 44,882 | 2,869 |
| Accumulated depreciations | (11,701) | (11,105) | (596) |
| | | | |
| **Net balance at 1 January 2023** | **36,050** | **33,777** | **2,273** |
| Depreciations | (11,703) | (11,105) | (598) |
| **Net balance at 31 December 2023** | **24,348** | **22,673** | **1,675** |
| Cost | 47,752 | 44,882 | 2,869 |
| Accumulated depreciations | (23,404) | (22,210) | (1,194) |
| | | | |
| **Net balance at 1 January 2024** | **24,348** | **22,673** | **1,675** |
| Depreciations | (11,548) | (11,105) | (443) |
| **Net balance at 31 December 2024** | **12,800** | **11,568** | **1,232** |
| Cost | 47,752 | 44,882 | 2,869 |
| Accumulated depreciations | (34,952) | (33,315) | (1,637) |

Leased assets consist of one vessel and various offices and laboratory facilities.

The non-cancellable leasing period of vessel lease is one year. The Group has options to extend or terminate vessel lease. This option facilitates the Group's asset portfolio management to market conditions. Periods covered by extension option and termination option are generally not reflected in the lease term unless these options are assessed as reasonably certain to be exercised. At year-end 2024, it is reasonably certain that the time-charter will end in January 2026. Accordingly, the Group has also recognized a dismantling provision for taking off the rig. Alternative vessel options are currently evaluated.

The non-cancellable periods of building leases vary from 1 to 5 years. The operational and financial effects of extension or termination options are not significant. Some leases of office buildings contain extension options exercisable by the Group which provide operational flexibility.

The amounts recognized in the financial performance are:

| USD'000 | 2024 | 2023 | 2022 |
|---|---|---|---|
| Depreciation of right-of-use vessels | 11,105 | 11,105 | 11,105 |
| Depreciation of right-of-use buildings | 443 | 598 | 596 |
| Interest on lease liabilities | 876 | 1,264 | 1,535 |
| Currency expenses/(gains) | (76) | 141 | (169) |
| **Total** | **12,349** | **13,107** | **13,068** |

There are no additional leasing commitments.

### Accounting policies – Leases

At inception of the contract the Group assesses whether a contract is, or contains, a lease. A contract is or contains a lease if it conveys the right to control the use of an identified asset for a period in exchange of a consideration.

The right-of-use assets and related lease liabilities are recognised at the lease commencement date. The right-of-use assets are initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and less lease incentives received, if any. At inception or on reassessment of a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component based on their relative stand-alone selling prices. However, for leases of property and equipment, the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The right-of–use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-to-use asset and the end of the lease term. The estimated useful life is determined on the same basis as those of property, plant and equipment. If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. In addition, the right-of-use asset is periodically reviewed for impairment losses.

The lease liability is initially measured at the present value of the outstanding lease payments at commencement date. The Group discounts the lease payments using interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate (IBR). The Group used the IBR to discount the lease liability related to the vessel and the implicit contract interest rate to discount the lease liabilities related to the buildings. Determining the IBR requires significant judgement. To determine the IBR the Group considers various factors, including the lease terms, the currency of the leasing contract, the nature of the underlying asset, the economic environment and country specific risks. The IBR is determined using a combination of reference rates, credit spreads and entity specific risk.  the IBR requires significant judgement and is a key source of estimation uncertainty, The IBR applied to the vessel leasing contract was 3.5%.

Lease payments included in the measurement of the lease liability comprise fixed lease payments, variable lease payments that depend on an index or a rate, amounts expected to be payable under a residual value guarantee and any exercise price under a purchase option that the Group is reasonably certain to exercise.

The liability is measured at amortised cost using the effective interest rate method. It is remeasured if there is a change in future lease payments, a change in the estimate of the amount expected to be payable under a residual value guarantee, or if there is any change in the Group assessment of option purchases, contract extensions or termination options.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low value assets (cumulative undiscounted lease payments lower than USD 5k). Lease payments associated with these leases are expensed as incurred.

The Group assesses at lease commencement whether it is reasonably certain to exercise the options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant change in circumstances within its control. The prevalence of the exercise of options that were not included in the measurement of lease liabilities is low. The relative magnitude of rent escalations and retail price index adjustments compared to the fixed lease payments is not significant.

Geoquip's outstanding lease liabilities are described in note 6.5.3.

## 7.3. Inventories

| USD'000 | 2024 | 2023 | 2022 | 2021 |
|---|---|---|---|---|
| Drill Mud Stock | 735 | 507 | 257 | 356 |
| Fuel | 1,214 | 896 | 1,558 | 854 |
| **Total** | **1,949** | **1,403** | **1,814** | **1,210** |

Inventories consist of fuel for the vessels and consumables required for drilling operations. In 2022 and 2023 inventories were measured using the latest available market price. In 2024 the Group changed the valuation criteria to average purchase price. The effect is immaterial and thus not disclosed.

## 7.4. Current financial assets

Current financial assets recognized in 2021 and 2024 relate to performance guarantees in favour of certain customers.

## 7.5. Trade and other payables

| USD'000 | 2024 | 2023 | 2022 | 2021 |
|---|---|---|---|---|
| Trade payables | 13,527 | 11,272 | 19,717 | 14,792 |
| Accrued project costs | 5,508 | 3,280 | 775 | 6,060 |
| Accrued employee costs | 1,513 | 1,595 | 127 | 651 |
| Accrued other costs | 639 | 205 | 246 | 213 |
| **Total** | **21,186** | **16,352** | **20,865** | **21,716** |

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. These represent liabilities for goods and services received but unpaid at year-end and are generally unsecured and due within 12 months. Supplier payment terms are usually 45-60 days.

Accrued expenses mainly include project cost accruals for geotechnical services and vessel operations where invoices are pending. Estimates for accrued expenses are based on contractual rates, project status updates from operational leads, and historical patterns of cost recognition.

Accrued expenses are also recognized for employee related expenses, which comprise amounts for overtime, untaken leave, discretionary bonus payments and accordingly social security amounts. Other accrued expenses are also recognized for period related services as e.g. audit or tax consultant fees, as well as other missing costs. The increase in 2024 is mainly due to additional consulting and auditing fees for the IFRS conversion. All accruals are recognised based on the best estimate of costs incurred to date.

## 7.6. Current non-financial assets and liabilities

Current financial assets are as follows:

| USD'000 | 31.12.2024 | 31.12.2023 | 31.12.2022 | 01.01.2022 |
|---|---|---|---|---|
| Prepaid expenses non project related | 1,348 | 1,603 | 81 | - |
| VAT | 629 | 504 | 766 | 486 |
| Other | 536 | 692 | 539 | 324 |
| **Current non-financial assets** | **2,512** | **2,799** | **1,387** | **809** |

Other current non-financial liabilities are as follows:

| USD'000 | 31.12.2024 | 31.12.2023 | 31.12.2022 | 01.01.2022 |
|---|---|---|---|---|
| VAT | 48 | 701 | 504 | 334 |
| Withholding tax | - | 386 | 6 | 3 |
| Other | 59 | 83 | 15 | 289 |
| **Other current non-financial liabilities** | **107** | **1,170** | **526** | **627** |

*Image: Offshore Environmental Specialists*

## 7.7. Provisions

| USD'000 | Total | Legal | Liquidated damages | Dismantling |
|---|---|---|---|---|
| **Balance at 1 January 2022** | **842** | **-** | **-** | **842** |
| Additions | 1,030 | 493 | 500 | 37 |
| **Balance at 31 December 2022** | **1,872** | **493** | **500** | **879** |
| thereof current | 993 | 493 | 500 | - |
| thereof non-current | 879 | - | - | 879 |
| **Balance at 1 January 2023** | **1,872** | **493** | **500** | **879** |
| Additions | 2,438 | - | 2,400 | 39 |
| Reversal | (866) | (366) | (500) | - |
| **Balance at 31 December 2023** | **3,445** | **127** | **2,400** | **918** |
| thereof current | 2,527 | 127 | 2,400 | - |
| thereof non-current | 918 | - | - | 918 |
| **Balance at 1 January 2024** | **3,445** | **127** | **2,400** | **918** |
| Additions | 6,217 | - | 6,177 | 40 |
| Reversal | (1,964) | (127) | (1,837) | - |
| **Balance at 31 December 2024** | **7,698** | **-** | **6,740** | **958** |
| thereof current | 6,740 | - | 6,740 | - |
| thereof non-current | 958 | - | - | 958 |

The provision for dismantling costs is recognized in connection with drilling equipment installed on a leased vessel. The provision is measured at the present value of expected costs to be incurred to remove the asset from the vessel in January 2026.

Contracts with customers include clauses related to liquidated damages, which become due in the event Geoquip breaches some of its obligations. Over the past three years, the Group has successfully resolved all probable liquidated damages cases through client negotiations, except for USD 0.6m which is still pending. Geoquip expects the arbitration proceeding to be concluded within the next year. The additional 6.2m of provision as of December 2024 relate to certain projects for which are expected to be delayed.

### Accounting policies - Provisions

Provisions are recognised when the Group has a present constructive or legal obligation because of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. The amounts recognised represent management’s best estimate of the expenditures that will be required to settle the obligation as of the reporting date. They are not discounted unless the time value of money is material. The recognition and measurement of provisions involve significant judgement and estimation uncertainty, particularly for obligations that depend on future events or outcomes that are not wholly within the Group's control. The most significant areas of estimation uncertainty at the reporting date relate to liquidated damages.

As part of the valuation and measurement of assets and liabilities, the Group assesses on a regular basis any risks in connection with business and non-business-related contracts as well as potential tax risks (e.g. VAT) that could lead to a provision.

**Liquidated damages**

The Group recognizes provisions for liquidated damages when it has a present legal or constructive obligation to compensate a customer for delays or performance shortfalls under a contract, and when it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made.

The amount of the provision is based on the terms of the relevant contract, including any specified liquidated damages rates, management's best estimate of the expected delay or shortfall at the reporting date, historical experience and current project progress assessments and legal plus commercial considerations. Estimating the amount and likelihood of liquidated damages requires complex and forward-looking judgements, particularly when projects are in progress and subject to operational, regulatory, or supply chain uncertainties. As such, the recognised provisions are inherently sensitive to changes in project execution forecasts and legal interpretations.

**Onerous contracts**

If the Group has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. Before the Group recognises a provision for an onerous contract, it accounts for any impairment losses that have occurred on assets dedicated to that contract. No onerous contracts were recognised in the reporting period.

*Image: Offshore Engineer*

# 8. Other

## 8.1. Income taxes

### 8.1.1. Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities refer to the following statement of financial position items:

| USD'000 | 2024 | 2023 | 2024 | 2023 |
|---|---|---|---|---|
| | Deferred Tax Assets | | Deferred Tax Liabilities | |
| Property, plant and equipment | - | - | (22) | (44) |
| Right-of-use assets | - | - | (1,878) | (3,560) |
| Other assets | 292 | 378 | (1) | (1) |
| Borrowings | - | 85 | - | (108) |
| Lease liabilities | 2,573 | 4,651 | (78) | - |
| Employee benefits | 118 | 97 | (3) | (34) |
| Provisions | 139 | 131 | - | - |
| Trade payables | 4 | 4 | - | - |
| Other liabilities | 5 | 5 | - | - |
| Tax benefits from losses carry-forwards | 2,707 | 3,997 | - | - |
| Unrecognised deferred tax assets from temporary differen | (117) | (189) | - | - |
| Total before netting | 5,721 | 9,160 | (1,983) | (3,747) |
| Netting | (1,972) | (3,737) | 1,972 | 3,737 |
| **Total net** | **3,749** | **5,422** | **(11)** | **(10)** |

| USD'000 | 2022 | 2021 | 2022 | 2021 |
|---|---|---|---|---|
| | Deferred Tax Assets | | Deferred Tax Liabilities | |
| Property, plant and equipment | - | - | (67) | (90) |
| Right-of-use assets | - | - | (5,244) | (6,997) |
| Other assets | 405 | 478 | (15) | - |
| Borrowings | - | - | (627) | (740) |
| Lease liabilities | 5,907 | 6,997 | - | - |
| Employee benefits | 117 | 124 | (57) | - |
| Provisions | 127 | 122 | - | - |
| Trade payables | 5 | - | - | - |
| Contract liabilities | 150 | - | - | - |
| Other liabilities | 2 | - | - | - |
| Tax benefits from losses carry-forwards | 5,931 | 2,860 | - | - |
| Unrecognised deferred tax assets from temporary differen | (232) | (299) | - | - |
| Total before netting | 12,412 | 10,283 | (6,010) | (7,826) |
| Netting | (5,989) | (7,826) | 5,989 | 7,826 |
| **Total net** | **6,423** | **2,456** | **(21)** | **-** |

The majority of deferred tax assets and liabilities as of 31 December 2024, are expected to be recycled to the statement of financial performance within 12 months. As of 31 December 2023, deferred tax assets in the amount of USD 2.0 and liabilities in the amount of USD 1.6m are expected to be recycled to the statement of financial performance within 12 months, while deferred tax assets in the amount of USD 2.5 and liabilities in the amount of USD 1.8m are expected to be recycled to the statement of financial performance within 24 months. As of 31 December 2022, deferred tax assets in the amount of USD 1.2 and liabilities in the amount of USD 1.6m are expected to be recycled to the statement of financial performance within 12 months, while deferred tax assets in the amount of USD 2.0 and liabilities in the amount of USD 1.6m are expected to be recycled to the statement of financial performance within 24 months, while deferred tax assets in the amount of USD 2.5 and liabilities in the amount of USD 1.8m are expected to be recycled to the statement of financial performance within 36 months.

### 8.1.2. Tax loss carry-forwards

Tax benefits from tax losses carry-forwards presents as follows:

| USD'000 | 31.12.2024 | 31.12.2023 | 31.12.2022 |
|---|---|---|---|
| **Balance at 1 January** | **30,729** | **41,547** | **19,632** |
| Adjustment to the opening balance | (1,798) | 3,370 | 76 |
| Added during the period | - | 2,417 | 34,963 |
| Expired during the period | - | (346) | (12,807) |
| Used during the period | (7,192) | (16,259) | (316) |
| **Balance at December 31** | **21,738** | **30,729** | **41,547** |
| **Tax benefits from loss carry-forwards - recognised** | **2,707** | **3,997** | **5,931** |
| **Tax benefits from loss carry-forwards - unrecognised** | **345** | **345** | **43** |
| **Total tax benefits from tax loss carry-forwards** | **3,052** | **4,343** | **5,974** |

Losses carry-forward relates mostly to the Swiss entities and, for tax purposes, are denominated in Swiss Francs (CHF). The adjustments to the opening balance are due to foreign exchange differences, which have been classified as other items reducing or increasing income tax expense in the reconciliation of the effective tax rate in note 8.1.5.

| USD'000 | 2024 | 2023 | 2022 | 2021 | 2024 | 2023 | 2022 | 2021 |
|---|---|---|---|---|---|---|---|---|
| **Expiry date of tax loss carry-forwards** | **Gross amount** | | | | **Unrecognized tax losses** | | | |
| 1 - 2 years | 1,025 | - | 4,038 | 16,769 | - | - | - | - |
| 3 - 5 years | 20,714 | 5,377 | 2,366 | 2,547 | (2,762) | (2,762) | - | - |
| Over 5 years | - | 25,352 | 35,143 | - | - | - | (346) | - |
| Unlimited | - | - | - | 316 | - | - | - | - |
| **Total tax loss carry-forward** | **21,738** | **30,729** | **41,547** | **19,632** | **(2,762)** | **(2,762)** | **(346)** | **-** |

### 8.1.3. Income tax recognised in the statement of financial performance

Income taxes recognised in the income statement are detailed in the table below:

| USD'000 | 2024 | 2023 | 2022 |
|---|---|---|---|
| **Current tax income / (expense)** | | | |
| Current period | (458) | (459) | (281) |
| (Under) / over provided in previous periods | - | 82 | - |
| **Total current income tax expense** | **(458)** | **(377)** | **(281)** |
| **Deferred tax expense / income** | | | |
| Due to temporary differences | (413) | 930 | 928 |
| Due to changes in tax rate | - | (52) | (16) |
| Due to utilisation of recognised tax loss carry-forward | (1,027) | (2,324) | (60) |
| Due to recognition of current period tax losses | - | - | 4,983 |
| Due to adjustments made by taxation authorities | (263) | 482 | 11 |
| Due to previously recognised and expired tax losses | - | (50) | (1,844) |
| **Total deferred income tax (expense) / income** | **(1,704)** | **(1,014)** | **4,002** |
| **(Expense) / income recognised in the statement of financial performance** | **(2,162)** | **(1,391)** | **3,721** |

### 8.1.4. Movements in deferred tax assets and liabilities during the year

| USD'000 | 2024 | 2023 | 2022 |
|---|---|---|---|
| Deferred tax assets (before netting) | 5,721 | 9,159 | 12,412 |
| Deferred tax liabilities (before netting) | (1,983) | (3,748) | (6,010) |
| **Net deferred tax assets / (liabilities)** | **3,738** | **5,411** | **6,402** |
| Less: deferred tax assets / (liabilities) opening balance | 5,412 | 6,402 | 2,456 |
| **Increase / (decrease) in deferred taxes** | **(1,674)** | **(990)** | **3,946** |
| Movements in deferred tax assets / (liabilities) charged to OCI | 30 | 23 | (57) |
| **Income / (expense) recognised in the income statement** | **(1,704)** | **(1,014)** | **4,003** |

## 8.1.5. Reconciliation of effective tax rate

| USD'000 | 2024 | 2023 | 2022 |
|---|---|---|---|
| **Result before taxes** | **19,401** | **9,903** | **(43,545)** |
| Income tax using applicable tax rate of 14.10% (2023 15.39%, 2022 14.39%) | (2,735) | (1,524) | 6,268 |
| Tax exempt income | 817 | 1,012 | 568 |
| Effect of recognition of previously unrecognised temporary differences | - | 17 | 4 |
| Effect of decrease in tax rates | - | 42 | 20 |
| Tax over provided in prior periods | 69 | 97 | 82 |
| Other | 166 | 187 | 121 |
| **Items reducing income tax expenses** | **1,053** | **1,354** | **796** |
| Non-tax deductible expenses | (288) | (711) | (1,214) |
| Effect of not recognising tax losses of the period | (192) | (340) | (43) |
| Effect of previously recognised and expired tax losses | - | (50) | (1,844) |
| Tax under provided in prior periods | - | (3) | - |
| Other | - | (117) | (241) |
| **Items increasing income tax expenses** | **(479)** | **(1,221)** | **(3,342)** |
| **Effective tax (expense) / income** | **(2,162)** | **(1,391)** | **3,721** |

The income tax rate applicable to the consolidated result is weighted average of the local tax rates of the Group entities. The difference among the years is mainly due to the different composition of revenue and related weighting of local tax rates.

**Accounting policies - Income tax**

Income tax on the statement of profit or loss for the year comprises current and deferred taxes. Income tax is recognised in the statement of profit or loss except to the extent it relates to items recognised in equity or OCI.

Current income taxes are determined based on the results for the reporting year, considering national tax laws. Additional tax payments or tax refunds that are expected to be made or have been made for previous years are considered. Management periodically evaluates positions taken in the tax returns with respect to situations in which tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred taxes are recognised in accordance with the statement of financial position liability method ("balance sheet liability method"). The income tax effects of temporary differences between the statement of financial position values that are relevant for the consolidated financial statements and the tax base are recognised accordingly.

Deferred tax assets from unused tax loss carry forwards as well as deductible temporary differences are recognised if it is probable that the corresponding tax benefits can be realised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies.

When applicable, deferred tax assets and deferred tax liabilities are presented on a net basis in the statement of financial position, while they are presented on a gross basis in the notes.

## 8.2. Related party disclosures

Related persons and companies refer to members of the Board of Directors, members of the Group Management and their family members, significant shareholders, including companies under their control and associates. Njord and Redway are shareholders and Cares Limited and GQ Seabed Equipment AG are companies also owned by Redway. Transactions with related persons and companies are carried out on an arm's length basis.

| USD'000 | | 2024 | 2023 | 2022 |
|---|---|---|---|---|
| Counterparty | Nature of transaction | | | |
| Njord | Interest expenses | (2,642) | (2,699) | (1,183) |
| Njord | Management fees | (350) | (187) | (233) |
| Redway | Interest expenses | (483) | (491) | (217) |
| Redway | Management fees | (677) | (697) | (558) |
| CARES Limited | Revenues | 4,935 | 41 | 64 |
| CARES Limited | Other operating exp | (89) | (235) | (91) |
| Short-term management employee benefits | Personnel expenses | (3,261) | (2,637) | (1,535) |
| Changes in management Incentive plans | Personnel expenses | (141) | 131 | 73 |
| **Total** | | **(2,707)** | **(6,774)** | **(3,681)** |

Key management comprises the Executive Committee and the Board of Directors (10 members in 2024, 11 members in 2023 and 10 members in 2022). Outstanding balances at the year-end are unsecured and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

| USD'000 | | 2024 | 2023 | 2022 | 2021 |
|---|---|---|---|---|---|
| | Nature of balance | | | | |
| Njord | Trade and other payables | 58 | 59 | 195 | 79 |
| Njord | Borrowings | 38,314 | 33,701 | 26,500 | 21,916 |
| Njord | Borrowings accrued interest | 3,127 | 7,253 | 4,490 | 3,371 |
| Redway AG | Trade and other payables | 10 | 0 | 600 | 560 |
| Redway AG | Borrowings | 7,288 | 6,467 | 5,454 | 3,868 |
| Redway AG | Borrowings accrued interest | 584 | 1,303 | 792 | 595 |
| CARES Limited | Trade receivables | - | - | - | 2 |
| CARES Limited | Trade and other payables | - | - | 2 | - |
| GQ Seabed Equipment AG | Non-current financial asset | 103 | 110 | - | - |
| **Total** | **Total** | **49,485** | **48,893** | **38,033** | **30,390** |

## 8.3. Management performance measures

In addition to IFRS measures, the Group uses certain Management Performance Measures (MPMs) to assess the underlying operational performance of its business. These measures should not be viewed as a substitute for IFRS financial information.

The only MPM used by Geoquip Marine is EBITDA adjusted by currency effects (Earnings Before Interest, Taxes, Depreciation, Amortization and adjusted by currency effects on operations), which is reviewed regularly by the Executive Committee. This measure provides insight into the operating profitability of the Group and is used internally for monitoring financial performance, resource allocation, and decision-making. These measures are not specified by IFRS Accounting Standards and therefore might not be comparable to apparently similar measures used by other entities. In addition, the MPM is presented on a pre-tax basis, and consequently, tax effects are not considered relevant to its calculation.

EBITDA results and its calculation for the periods reported are as follows:

| USD'000 | NOTES | 2024 | 2023 | 2022 |
|---|---|---|---|---|
| Revenues | 4.1 | 129,748 | 112,009 | 86,260 |
| Project expenses | 4.4 | (58,654) | (58,930) | (65,330) |
| Other income | | 780 | 1,242 | 2,320 |
| Personnel expenses | 5.1 | (17,995) | (14,205) | (11,967) |
| Other operating expenses | 4.5 | (9,032) | (5,079) | (4,754) |
| **EBITDA** | | **44,847** | **35,038** | **6,529** |

The EBITDA result is a subtotal of our key operating activities. The management performance measure excludes non-cash items such as depreciation and impairment charges. It also excludes the effects of foreign currency exchange differences on operating activities. Management considers these effects to be outside its control, as Geoquip primarily operates in stable currencies, including USD, EUR, GBP, and CHF. Furthermore, as the Group does not hedge currency exposures, foreign exchange effects are not viewed as reflective of underlying operating performance and are therefore excluded from the management-defined performance measure.

The reconciliation from EBITDA to the result from operating activities is presented below.

**Reconcilation to result from operating activities**

| | | | | |
|---|---|---|---|---|
| **EBITDA** | | **44,847** | **35,038** | **6,506** |
| Depreciations | 7.1/7.2 | (24,590) | (23,003) | (20,915) |
| Impairments | 4.3/7.1 | (61) | 1,705 | (4,839) |
| Currency effects on operations | | (1,223) | (732) | 661 |
| **Result from operating activities** | | **18,972** | **13,008** | **(18,587)** |

No other non-IFRS measures are applied by the Group, and EBITDA is used solely on a consolidated Group level and EBITDA is not monitored on a divisional, geographical, or entity basis.

## 8.4. Events after the reporting date

On 1 April 2025, the Group successfully completed the issuance of EUR 100.0m senior secured bond (USD 110.3m equivalent at exchange rate of issuance 1.103) through its subsidiary GQM Services Ltd. The maturity date is in 4 years, and the net proceeds will primarily be used for the refinancing of existing debt and for general corporate purposes, including capital expenditures. The bond is governed by Norwegian law and will be listed on the Oslo Børs. The issuance of the bond represents a significant strengthening of the Group's long-term financing structure. The bond issuance incurred transaction costs of EUR 2.3m (USD 2.5m equivalent).

There have been no other material events between 31 December 2024, and the date of authorisation for issue of these financial statements by the Board of Directors that would require adjustments of the consolidated financial statements or disclosure.

Registered number: 11600693

# GQM SERVICES LTD

# ANNUAL REPORT AND FINANCIAL STATEMENTS
# FOR THE YEAR ENDED 31 DECEMBER 2024

# GQM SERVICES LTD

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**Directors**

I C Hodder
S E M Higginson

**Registered number**

11600693

**Registered office**

Vintry Building
Wine Street
Bristol
BS1 2BD

**Independent auditors**

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Exchange House
Central Business Exchange
Midsummer Boulevard
Milton Keynes
MK9 2DF

# GQM SERVICES LTD
# DIRECTORS' REPORT
# FOR THE YEAR ENDED 31 DECEMBER 2024

The directors present their annual report and the audited financial statements of GQM Services Ltd (the "Company") for the financial year ended 31 December 2024.

**Principal activities**

The Company is an employee service company that provides geotechnical testing and customer services on behalf of the Geoquip Marine Operations AG group.

**Directors**

The directors who served during the year and up to the date of signing the financial statements, unless otherwise stated, were:

| | |
|---|---|
| I C Hodder | |
| R J Turner | (resigned 1 November 2024) |
| S E M Higginson | (appointed 7 November 2024) |

**Going concern**

The Company's forecasts and projections, made for a period of at least 12 months from the date of signing the financial statements, show that the Company should be able to operate within the level of its current facilities. After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Furthermore, GEOQUIP Marine Holding AG, who owns 100% of the Company, issued a letter of comfort stating that GEOQUIP Marine Holding AG undertakes all necessary measures such that the Company will have sufficient funds available to allow it to meet its financial obligations as they fall due. This letter of comfort is valid until 30 June 2026. Therefore, as of the date of signing these financial statements, the directors have concluded it remains appropriate, based on the Group's actual financial position, including financing facilities available to support liquidity, profitability and financial forecasts which include the current order backlog as well as the fact that several projects are currently up and running, to continue to prepare the financial statements under the going concern basis of preparation.

**Subsequent events**

On April 1, 2025, the Company successfully completed the issuance of EUR 100m senior secured bond (GBP 85.5m equivalent at exchange rate of issuance 0.855) on behalf of the Group. The maturity date is in 4 years, and the net proceeds will primarily be used for the refinancing of existing debt and for general corporate purposes, including capital expenditures. The bond is governed by Norwegian law and will be listed on the Oslo Børs. The issuance of the bond represents a significant strengthening of the Group's long-term financing structure. And furthermore, the transaction strengthens GQM's future position as a key contributor within the Group's operational portfolio by providing improved financial flexibility, securing long-term funding for critical investments, and enhancing its capacity to generate stable cash flows and contribute meaningfully to the Group's overall financial performance. The credit facility as noted on note 11 has been repaid and closed on April 3, 2025 from the proceeds of the issuance of the bonds subsequent to yearend. On 11 April 2025 the bonds have also been listed on the Frankfurt Stock Exchange.

**Directors' responsibility statement**

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A, and applicable law).

Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 Section 1A have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

**Directors' confirmations**

In the case of each director in office at the date the directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

**Independent auditors**

Under section 487(2) of the Companies Act 2006, PricewaterhouseCoopers LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the financial statements with the registrar, whichever is earlier.

# GQM SERVICES LTD
# DIRECTORS' REPORT (continued)
# FOR THE YEAR ENDED 31 DECEMBER 2024

**Small companies exemption**

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

The directors have also taken advantage of the small companies exemptions provided by section 414B of the Companies Act 2006 and have not provided a strategic report.

This report was approved by the board and signed on its behalf by:

Signed by:
ian.hodder
89907FF7323D4F1...

**I C Hodder**
Director

Date:
23rd May 2025

# Independent auditors' report to the members of GQM Services Ltd

## Report on the audit of the financial statements

### Opinion

In our opinion, GQM Services Ltd's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2024 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A, and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: Balance Sheet as at 31 December 2024; Statement of Income and Retained Earnings for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

### Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

## Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Directors' confirmations, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

### Directors' confirmations

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' confirmations for the year ended 31 December 2024 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' confirmations.

## Responsibilities for the financial statements and the audit

### Responsibilities of the directors for the financial statements

As explained more fully in the Directors' responsibility statement, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to employment laws and regulations, environmental regulations and health and safety legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as UK Corporation tax legislation and the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries to manipulate financial performance. Audit procedures performed by the engagement team included:

- discussions with senior management regarding known or suspected instances of fraud and non-compliance with laws and regulations;
- testing journal entries to identify entries which met certain risk criteria, in particular journal entries with unusual account combinations;
- reviewed accounting estimates for bias and evaluated whether circumstances producing any bias represent a risk of material misstatement due to fraud; and
- incorporating elements of unpredictability in our audit approach.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

### Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

# Other required reporting

### Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

### Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: prepare financial statements in accordance with the small companies regime; take advantage of the small companies exemption in preparing the Directors' confirmations; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

Catherine Harrison

Catherine Harrison (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Milton Keynes
23 May 2025

# GQM SERVICES LTD
## STATEMENT OF INCOME AND RETAINED EARNINGS
## FOR THE YEAR ENDED 31 DECEMBER 2024

| | | **2024** | 2023 |
|---|---|---|---|
| | **Note** | **£** | £ |
| Turnover | | **11,793,170** | 8,222,998 |
| Cost of sales | | **(7,441,427)** | (5,236,825) |
| **Gross profit** | | **4,351,743** | 2,986,173 |
| Administrative expenses | | **(3,663,770)** | (2,594,501) |
| **Operating profit** | | **687,973** | 391,672 |
| Interest payable and similar expenses | 5 | **(35,591)** | (100) |
| **Profit before taxation** | | **652,382** | 391,572 |
| Tax on profit | | **(165,000)** | (100,000) |
| **Profit for the financial year** | | **487,382** | 291,572 |
| **Retained earnings:** | | | |
| Retained earnings at the beginning of the financial year | | **681,036** | 389,464 |
| Profit for the financial year | | **487,382** | 291,572 |
| **Retained earnings at the end of the financial year** | | **1,168,418** | 681,036 |

The notes on pages 11 to 17 form part of these financial statements.

# GQM SERVICES LTD

# BALANCE SHEET

# REGISTERED NUMBER: 11600693

# AS AT 31 DECEMBER 2024

| | Notes | 2024 £ | 2023 £ |
|---|---|---|---|
| **Fixed assets** | | | |
| Tangible assets | 6 | **1,603,793** | 345,896 |
| **Current assets** | | | |
| Debtors: amounts falling due after more than one year | 7 | **151,650** | 144,150 |
| Debtors: amounts falling due within one year | 7 | **2,660,515** | 2,066,087 |
| Cash at bank and in hand | | **53,242** | 203,767 |
| | | **2,865,407** | 2,414,004 |
| Creditors: amounts falling due within one year | 8 | **(3,299,782)** | (2,077,864) |
| **Net current (liabilities)/assets** | | **(434,375)** | 336,140 |
| **Total assets less current liabilities and net assets** | | **1,169,418** | 682,036 |
| **Capital and reserves** | | | |
| Called up share capital | | **1,000** | 1,000 |
| Retained earnings | | **1,168,418** | 681,036 |
| **Total shareholders' funds** | | **1,169,418** | 682,036 |

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Signed by:
ian.hodder
89907FF7323D4F1...

**I C Hodder**
Director

Date:

23rd May 2025

The notes on pages 11 to 17 form part of these financial statements.

## 1 General information

GQM Services Ltd (the "Company") is a private company limited by shares and is incorporated in England and Wales. The address of its registered office is Vintry Building, Wine Street, Bristol, BS1 2BD.

## 2 Accounting policies

### 2.1 Basis of preparation of financial statements

The financial statements have been prepared on a going concern basis, under the historical cost convention and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The Company's functional and presentational currency is the pound sterling.

The following principal accounting policies have been applied consistently throughout the year:

### 2.2 Going concern

The Company’s forecasts and projections, made for a period of at least 12 months from the date of signing the financial statements, show that the Company should be able to operate within the level of its current facilities. After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Furthermore, GEOQUIP Marine Holding AG, who owns 100% of the Company, issued a letter of comfort stating that GEOQUIP Marine Holding AG undertakes all necessary measures such that the Company will have sufficient funds available to allow it to meet its financial obligations as they fall due. This letter of comfort is valid until 30 June 2026. Therefore, as of the date of signing these financial statements, the directors have concluded it remains appropriate, based on the Group's actual financial position, including financing facilities available to support liquidity, profitability and financial forecasts which include the current order backlog as well as the fact that several projects are currently up and running, to continue to prepare the financial statements under the going concern basis of preparation.

### 2.3 Turnover

Turnover, which excludes value added taxes, represent the reimbursement for costs arising from geotechnical testing and customer services provided on behalf of Geoquip Marine Operations AG, a parent company and is recognised on costs plus mark-up basis. Costs are reported and recharged on a monthly basis based on actual costs accrued. Any estimates of revenues, costs or any extent of progress toward completion are revised if circumstances change at year end.

### 2.4 Operating leases

Rentals paid under operating leases are charged to the Statement of Income and Retained Earnings on a straight line basis over the lease term.

## 2 Accounting policies (continued)

### 2.5 Pensions

**Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Income and Retained Earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

### 2.6 Current taxation

Tax is recognised in the Statement of Income and Retained Earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date in the countries where the Company operates and generates income.

### 2.7 Tangible assets

Tangible assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

| | | |
|---|---|---|
| Laboratory equipment | – | 5 years |
| Laboratory infrastructure | – | 7 years |
| IT Hardware | – | 5 years |
| Office equipment | – | 8 years |

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

For assets under construction, no depreciation is recorded until the asset is placed in service. When construction is completed, the asset should be reclassified as laboratory equipment or infrastructure and should be capitalized and depreciated.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Income and Retained Earnings.

## 2 Accounting policies (continued)

### 2.8 Borrowing costs

All borrowing costs are recognised in the Statement of Income and Retained Earnings in the financial year in which they are incurred.

### 2.9 Debtors

Short term and long term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

### 2.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

### 2.11 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

### 2.12 Financial instruments

The Company has applied Section 11 and 12 of FRS 102 in respect of the recognition and measurement of financial instruments.

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Income and Retained Earnings.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

# GQM SERVICES LTD

# NOTES TO THE FINANCIAL STATEMENTS (continued)

# FOR THE YEAR ENDED 31 DECEMBER 2024

## 2 Accounting policies (continued)

### 2.12 Financial instruments (continued)

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

## 3 Auditors' remuneration

| | **2024** | 2023 |
|---|---|---|
| | **£** | £ |
| Fees payable to the Company's auditors for the audit of the Company's financial statements | **53,000** | 35,000 |

The directors have agreed with the Company's auditors that the auditors' liability to damages for breach of duty in relation to the audit of the Company's financial statements for the year to 31 December 2024 should be limited to the greater of £5 million or 5 times the auditors' fees, and that in any event the auditors' liability for damages should be limited to that part of any loss suffered by the Company as is just and equitable having regard to the extent to which the auditors, the Company and any third parties are responsible for the loss in question. The shareholders approved this limited liability agreement, as required by the Companies Act 2006, by a resolution dated January 16th, 2025.

## 4 Employees

The average monthly number of employees, including directors, during the year was 115 (2023: 87).

## 5 Interest payable and similar expenses

| | **2024** | 2023 |
|---|---|---|
| | **£** | £ |
| Loan interest payable | **35,553** | 30 |
| Other finance expense | **38** | 70 |
| | **35,591** | 100 |

## 6 Tangible assets

| | Laboratory equipment | Laboratory infrastructure | IT Hardware | Office equipment | Assets under construction | Total |
|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ |
| **Cost** | | | | | | |
| At 1 January 2024 | **415,356** | **201,893** | **–** | **–** | **–** | **617,249** |
| Additions | **1,699,305** | **–** | **49,097** | **65,605** | **1,542** | **1,815,549** |
| **At 31 December 2024** | **2,114,661** | **201,893** | **49,097** | **65,605** | **1,542** | **2,432,798** |
| | | | | | | |
| **Accumulated depreciation** | | | | | | |
| At 1 January 2024 | **225,795** | **45,558** | **–** | **–** | **–** | **271,353** |
| Charge for the year | **479,078** | **72,013** | **–** | **6,561** | **–** | **557,652** |
| **At 31 December 2024** | **704,873** | **117,571** | **–** | **6,561** | **–** | **829,005** |
| | | | | | | |
| **Net book value** | | | | | | |
| **At 31 December 2024** | **1,409,788** | **84,322** | **49,097** | **59,044** | **1,542** | **1,603,793** |
| At 31 December 2023 | 189,561 | 156,335 | – | – | – | 345,896 |

## 7 Debtors

| | 2024 | 2023 |
|---|---|---|
| | **£** | £ |
| **Due after more than one year** | | |
| Other debtors | **151,650** | 144,150 |

| | 2024 | 2023 |
|---|---|---|
| | **£** | £ |
| **Due within one year** | | |
| Amounts owed by group undertakings | **1,957,637** | 941,022 |
| Other debtors | **350,300** | 65,154 |
| Prepayments and accrued income | **352,578** | 1,059,911 |
| | **2,660,515** | 2,066,087 |

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

### 8 Creditors: amounts falling due within one year

| | **2024** | 2023 |
|---|---|---|
| | **£** | £ |
| Bank loans and overdrafts | **1,659,575** | – |
| Trade creditors | **543,455** | 254,629 |
| Amounts owed to group undertakings | **–** | 654,714 |
| Corporation tax | **329,547** | 164,547 |
| Accruals and deferred income | **767,205** | 1,003,974 |
| | **3,299,782** | 2,077,864 |

The bank loan is due for repayment by 30 April 2025 and the interest rate is calculated as SONIA plus 2.95% per annum.

Amounts owed to group undertakings represents current payables with GEOQUIP Marine Operations AG, are unsecured, interest free and repayable on demand.

### 9 Pension commitments

The Company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the Company to the scheme and amounted to £316,620 (2023: £238,937).

### 10 Commitments under operating leases

At 31 December, the Company had future minimum lease payments under non-cancellable operating leases as follows:

| | **2024** | 2023 |
|---|---|---|
| | **£** | £ |
| Not later than 1 year | **260,135** | 220,735 |
| Later than 1 year and not later than 5 years | **69,404** | 144,479 |
| | **329,539** | 365,214 |

The Company leases office spaces for a term of three to four years at a total annual rent of approximately £100,000. During 2021, the Company also entered into a lease of laboratory facilities for a term of ten years (with break clause after five years) at an annual rent of £120,000. During 2024, the Company also entered into lease agreements for additional office spaces in Cornwall for a term of six years (with break clause after three years) at an annual rent of £25,000 and Newcastle for a term of three years at an annual rent of £14,400.

### 11 Contingent liability

The Company is part of a cross guarantee with fellow group undertakings in respect of a credit facility that Geoquip Marine Holding AG holds with National Westminster Bank. The credit limit of the facility is $60,000,000. Each guarantor is jointly liable for any borrowed funds up to the total value of funds in their respective bank accounts. The total value of funds in the pledged bank accounts at year end is £53,242 (2023: £203,767). The credit facility has been repaid and closed on April 3, 2025 from the proceeds of the issuance of the bonds subsequent to yearend as noted in note 13.

## 12 Ultimate parent undertaking and controlling party

The immediate parent undertaking and the parent of the smallest group that the Company is included in the consolidation of is GEOQUIP Marine Holding AG, a company incorporated in Switzerland at the following address: Multergasse 1-3, 9000, St. Gallen.

## 13 Subsequent events

On April 1, 2025, the Company successfully completed the issuance of EUR 100m senior secured bond (GBP 85.5m equivalent at exchange rate of issuance 0.855) on behalf of the Group. The maturity date is in 4 years, and the net proceeds will primarily be used for the refinancing of existing debt and for general corporate purposes, including capital expenditures. The bond is governed by Norwegian law and will be listed on the Oslo Børs. The issuance of the bond represents a significant strengthening of the Group's long-term financing structure. And furthermore, the transaction strengthens GQM’s future position as a key contributor within the Group's operational portfolio by providing improved financial flexibility, securing long-term funding for critical investments, and enhancing its capacity to generate stable cash flows and contribute meaningfully to the Group’s overall financial performance. The credit facility as noted on note 11 has been repaid and closed on April 3, 2025 from the proceeds of the issuance of the bonds subsequent to yearend. On 11 April 2025 the bonds have also been listed on the Frankfurt Stock Exchange.

# GEOQUIP Marine Holding AG
## St. Gallen

Report of the statutory auditor
to the General Meeting

on the consolidated financial statements 2024

# Report of the statutory auditor

to the General Meeting of GEOQUIP Marine Holding AG, St. Gallen

## Report on the audit of the consolidated financial statements

### Opinion

We have audited the consolidated financial statements of GEOQUIP Marine Holding AG and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2024, and the consolidated income statement and the consolidated cash flow statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements comply with Swiss law and the consolidation and valuation principles described in the notes.

### Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the 'Auditor's responsibilities for the audit of the consolidated financial statements' section of our report. We are independent of the Group in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Board of Directors' responsibilities for the consolidated financial statements

The Board of Directors is responsible for the preparation of consolidated financial statements in accordance with the provisions of Swiss law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## Report on other legal and regulatory requirements

In accordance with article 728a para. 1 item 3 CO and PS-CH 890, we confirm the existence of an internal control system that has been designed, pursuant to the instructions of the Board of Directors, for the preparation of the consolidated financial statements.

We recommend that the consolidated financial statements submitted to you be approved.

PricewaterhouseCoopers AG

| | |
|---|---|
| Gianluca Galasso | Nicol Nägele |
| Licensed audit expert<br>Auditor in charge | Licensed audit expert |

St. Gallen, 4 March 2025

Enclosure:

- Consolidated financial statements (consolidated balance sheet, consolidated income statement, consolidated cash flow statement and notes)

## Consolidated balance sheet as at 31 December

| Assets | Note | 2024 USD 1'000 | 2023 USD 1'000 | 2024 CHF 1'000 | 2023 CHF 1'000 |
|---|---|---|---|---|---|
| **Current assets** | | | | | |
| Cash and cash equivalents | | 20'000 | 16'871 | 18'125 | 14'199 |
| Trade receivables | | 12'437 | 7'776 | 11'271 | 6'544 |
| Other current receivables | | 1'687 | 1'312 | 1'529 | 1'104 |
| Inventories and uninvoiced services | | 1'949 | 1'930 | 1'767 | 1'624 |
| Accrued income and prepaid expenses | | 11'161 | 6'110 | 10'114 | 5'142 |
| **Total current assets** | | **47'235** | **33'999** | **42'806** | **28'614** |
| **Non-current assets** | | | | | |
| Financial assets | | 103 | 110 | 93 | 92 |
| *Loans to third parties* | | *103* | *110* | *93* | *92* |
| Tangible fixed assets | 2.4 / 2.6 | 122'938 | 92'304 | 111'412 | 77'685 |
| **Total non-current assets** | | **123'041** | **92'413** | **111'506** | **77'777** |
| **Total assets** | | **170'276** | **126'412** | **154'312** | **106'391** |

| Liabilities | Note | 2024 USD 1'000 | 2023 USD 1'000 | 2024 CHF 1'000 | 2023 CHF 1'000 |
|---|---|---|---|---|---|
| **Short-term liabilities** | | | | | |
| Trade payables | | 13'528 | 11'276 | 12'259 | 9'490 |
| *- Third parties* | | *13'460* | *11'276* | *12'198* | *9'490* |
| *- Shareholders* | | *67* | *0* | *61* | *0* |
| Short-term interest-bearing liabilities | | 2'112 | 0 | 1'914 | 0 |
| Other short-term liabilities | | 892 | 2'130 | 808 | 1'793 |
| Accrued expenses and deferred income | | 14'913 | 7'848 | 13'514 | 6'605 |
| **Total short-term liabilities** | | **31'445** | **21'254** | **28'497** | **17'888** |
| **Long-term liabilities** | | | | | |
| Long-term interest-bearing liabilities | | 109'314 | 88'128 | 99'065 | 74'171 |
| *- Third parties* | 2.7 | *60'000* | *40'000* | *54'375* | *33'665* |
| *- Shareholders* | 2.7 | *49'314* | *48'128* | *44'690* | *40'506* |
| **Total long-term liabilities** | | **109'314** | **88'128** | **99'065** | **74'171** |
| **Total liabilities** | | **140'759** | **109'383** | **127'562** | **92'059** |
| **Shareholders' equity** | | | | | |
| Share capital | | 113 | 113 | 100 | 100 |
| Legal reserves | | 34'032 | 34'032 | 30'016 | 30'016 |
| Loss brought forward | | -17'116 | -21'883 | -15'739 | -20'009 |
| Profit of the year | | 12'488 | 4'767 | 11'009 | 4'270 |
| Currency effects on equity | | 0 | 0 | 1'365 | -44 |
| **Total shareholders' equity** | 2.9 | **29'517** | **17'029** | **26'750** | **14'333** |
| **Total liabilities and shareholders' equity** | | **170'276** | **126'412** | **154'312** | **106'391** |

**Consolidated income statement for the financial year ended 31 December**

| | Note | 2024 | 2023 | 2024 | 2023 |
|---|---|---|---|---|---|
| | | USD 1'000 | USD 1'000 | CHF 1'000 | CHF 1'000 |
| Net proceeds from sales of goods and services | | 129'748 | 112'024 | 114'376 | 100'335 |
| Project expenses | 2.10 | -82'906 | -66'938 | -73'083 | -59'954 |
| **Gross Profit** | | **46'842** | **45'085** | **41'292** | **40'381** |
| Staff costs | | -10'368 | -14'605 | -9'140 | -13'081 |
| Other operating expenses | | -4'635 | -4'581 | -4'086 | -4'103 |
| **Earnings before interest, taxes, depreciation and amortisation (EBITDA) *** | | **31'839** | **25'900** | **28'067** | **23'198** |
| Depreciation of fixed assets | | -12'887 | -12'674 | -11'360 | -11'352 |
| Amortisations of capitalised financing costs | | -85 | -80 | -75 | -72 |
| **Earnings before interest and taxes (EBIT) *** | | **18'866** | **13'146** | **16'631** | **11'775** |
| Financial income | | 42 | 531 | 37 | 476 |
| Financial expenses | | -5'925 | -5'612 | -5'223 | -5'026 |
| Currency Effects | | -1'607 | -1'868 | -1'417 | -1'673 |
| **Operating earnings before taxes *** | | **11'377** | **6'198** | **10'029** | **5'551** |
| Extraordinary, non-recurring or prior-period income | 2.11 | 4'127 | 4'267 | 3'638 | 3'822 |
| Extraordinary, non-recurring or prior-period expenses | 2.11 | -2'770 | -4'457 | -2'442 | -3'992 |
| **Earnings before taxes** | | **12'733** | **6'008** | **11'225** | **5'381** |
| Direct taxes | 2.12 | -245 | -1'241 | -216 | -1'111 |
| **Profit of the year** | | **12'488** | **4'767** | **11'009** | **4'270** |

*before extraordinary, non-recurring or prior period expenses

**Consolidated cash flow statement for the financial year ended 31 December**

| | 2024 | 2023 | 2024 | 2023 |
|---|---|---|---|---|
| | USD 1'000 | USD 1'000 | CHF 1'000 | CHF 1'000 |
| Profit for the year | 12'488 | 4'767 | 11'009 | 4'270 |
| Depreciation of fixed assets | 12'887 | 12'674 | 11'679 | 10'667 |
| Other non-cash expenses/income items not affecting cash flow | 2'199 | 1'833 | 1'993 | 1'542 |
| Change in trade receivables | -4'662 | 2'427 | -4'225 | 2'042 |
| Change in other current receivables | -375 | -540 | -339 | -454 |
| Change in inventories | -546 | 783 | -495 | 659 |
| Change in accrued income and prepaid expenses | -5'136 | -3'659 | -4'655 | -3'079 |
| Change in trade payables | 2'252 | -8'423 | 2'040 | -7'089 |
| Change in other short-term liabilities (excl. financial liabilities) | -1'238 | 1'494 | -1'122 | 1'258 |
| Change in accrued expenses and deferred income | 7'064 | 5'119 | 6'402 | 4'308 |
| Profit (loss) on sale of property, plant and equipment | 0 | 0 | 0 | 0 |
| **Cash flow from operating activities** | **24'933** | **16'475** | **22'287** | **14'123** |
| Purchases of property, plant and equipment | -42'995 | -12'777 | -38'964 | -10'753 |
| Change of financial assets | 7 | 0 | 6 | 0 |
| Purchases of financial assets | 0 | -110 | 0 | -92 |
| **Cash flow from investing activities** | **-42'988** | **-12'887** | **-38'958** | **-10'846** |
| Proceeds from short-term interest bearing liabilities | 2'112 | 0 | 1'914 | 0 |
| Change from interest-bearing liabilities | -929 | 0 | -842 | 0 |
| Proceeds from interest-bearing liabilities (shareholder) | 0 | 7'500 | 0 | 6'312 |
| Repayments of interest-bearing liabilities | 0 | -2'500 | 0 | -2'104 |
| Proceeds from interest-bearing liabilities (third parties) | 20'000 | 0 | 18'125 | 0 |
| **Cash flow from financing activities** | **21'184** | **5'000** | **19'198** | **4'208** |
| Effects of exchange rate changes on cash and cash equivalents* | 0 | 0 | 1'399 | -990 |
| **Net increase in cash and cash equivalents** | **3'129** | **8'588** | **3'926** | **6'496** |
| **Cash and cash equivalents of financial statment position** | | | | |
| As at January 1 | 16'871 | 8'284 | 14'199 | 7'704 |
| As at December 31 | 20'000 | 16'871 | 18'125 | 14'199 |
| **Net increase in cash and cash equivalents** | **3'129** | **8'588** | **3'926** | **6'496** |

* Cash flows in CHF (2024 and 2023) are translated at the income statement rate. Cash and cash equivalents are translated at the period-end exchange rates. The resulting translation differences are shown separately.

## Notes to the 2024 consolidated financial statements

### General Information

Geoquip Marine is a leading name in global offshore geotechnical acquisition, analysis and reporting. We safely deliver data to clients worldwide through offshore and nearshore geotechnical site investigations, reliable geophysical surveys and comprehensive engineering services.

### 1 Accounting principles applied in the preparation of the financial statements

**General Principles / Basis of Preparation**
The consolidated financial statements of Geoquip Marine Holding AG have been prepared in accordance with the Swiss Code of Obligations (art. 957 - 963b). They are based on the individual financial statements of the Group Companies, which have been prepared in accordance with local accounting practice (book values) and under the historical cost convention, unless specified otherwise.

**Principles of Consolidation**
Subsidiaries are all entities over which the group has control. The group controls an entity where the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases. The acquisition method of accounting is used to account for business combinations by the group. Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated.

**Elimination of Intercompany Transactions**
All intercompany transactions and balances as well as intercompany profits are eliminated during the consolidation process.

**Deferred Taxes**
The consolidation is based on the applicable tax values. There were no temporary differences in the reporting year or the previous financial year. Consequently, no deferred tax liabilities are recognized. Additionally, the group companies possess tax loss carryforwards, which have not been recognized in adherence to the principle of prudence.

**Foreign Currency Translation**

*Functional and Presentation Currency*
The financial statements of each group company are measured in USD, which is their respective functional currency. As of 1 January 2021, the accounting and financial reporting have been transitioned to US dollars, which is considered the material currency for business operations across all entities. The consolidated financial statements are prepared in USD, which serves as the group's presentation currency.

For additional CHF values presented in the balance sheet, they have been translated using the exchange rate as of 31.12. The income statement and cash flow statement, on the other hand, have been translated using yearly average rates.

*Transactions and Balances*
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing in the month of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

**Foreign currencies**
Monetary items denominated in foreign currency are translated into US-Dollar using the following exchange rates:

| | | **2024** | **2023** |
|---|---|---|---|
| **a) Income statement:** Yearly average | CHF | 0.8815 | 0.8957 |
| | EUR | 0.9265 | 0.9244 |
| | GBP | 0.7827 | 0.8028 |
| **b) Balance sheet:** Exchange rate as of 31.12. | CHF | 0.9063 | 0.8416 |
| | EUR | 0.9657 | 0.9050 |
| | GBP | 0.7984 | 0.7840 |

**Accounting policies applied:**

**Cash and cash equivalents**
Cash and cash equivalents include cash on hand, deposits held on call with banks and other short-term highly liquid investments.

**Trade receivables and other current receivables**
A receivable is recognized once the company has an unconditional right to payment. Receivables are initially recognized at the transaction value according to contractual terms and conditions. They do not carry any interest. Subsequently, receivables are measured at amortized cost, which equals their transaction value less bad debt allowances for expected credit losses. Foreign currency revaluations and impairment losses are recognized in the income statement. On derecognition, gains and losses are recognized in the income statement. Bad debt allowances are calculated based on an individual assessment of the receivables. There is no general allowance for doubtful debts recognized.

**Inventories**
Inventories are valued at the lower of cost (acquisition or manufacturing cost) and net realizable value. This position mainly comprises drilling mud and fuel. Since 2024 the drillpipes are registered as Tangible fixed assets and will be depreciated based on a useful life of 15 years. Over the holding period, value adjustments are made for the estimated loss in value (based on a useful life of 15 years). The current allowance amounts to 59 kUSD.

**Accrued income and prepaid expenses**
Accrued income and prepaid expenses are carried at their nominal value.

**Tangible fixed assets**
Tangible fixed assets are recorded at their historical cost, less depreciation. The historical cost includes expenses directly associated with the acquisition of the assets. Subsequent costs are added to the carrying amount of the asset or recognized as a separate asset, if it is likely that future economic benefits linked to the item will be obtained and the cost can be reliably measured. When a component accounted for as a separate asset is replaced or disposed of, its carrying amount is removed. Maintenance work is recognized as a separate asset due to its recurring nature. Other repairs and maintenance expenses are expensed in the income statement during the reporting period in which they occur.

The estimated useful life of the assets are as follows:

| Assets | Operating life | Method |
|---|---|---|
| Vessels | 10 to 20 years | 5% - 10% linear |
| Rigs | 10 to 15 years | 7% - 10% linear |
| Rigs maintenance | 3 to 5 years | 20% - 33% linear |
| Leasehold improvement | until end of lease | 17% - 100% linear |
| Other equipment | 3 to 10 years | 10% - 33% linear |
| Assets under construction | Not depreciated until brought into use, yearly tested for impairment | |

Depreciation is recorded in the income statement using the straight-line method over the estimated useful lives of each component of a tangible fixed asset. At the end of each reporting period, the residual values and useful lives of the assets are reviewed and adjusted if necessary. If an asset's carrying amount exceeds its estimated recoverable amount, the carrying amount is promptly written down to the recoverable amount.

**Trade payables and other short-term liabilities**
Trade and other payables are recognized at nominal value.

**Interest-bearing liabilities**
The interest-bearing liabilities are stated at their nominal value. Costs incurred in the context of the placement of loans are capitalized in the prepaid expenses and amortized straight-line over the term. The non-current portion of interest-bearing liabilities denominated in foreign currencies is valued at the higher of the historical rate and the current exchange rate.

**Share Capital**
The share capital of Geoquip Marine Holding AG amounts to CHF 100'000 (USD 113k) and is composed of 100'000 shares each with a nominal value of CHF 1. All shares are registered and paid in full.

**Recognition of revenue**
Revenue is recognized when control of the promised goods or services is transferred to the customers, in an amount that reflects the consideration the Group expects to be entitled to in exchange for those goods or services. The Group primarily generates revenue from services.

Revenue is measured based on the consideration contractually agreed with the customer. Common considerations are fixed price, daily rates or rates per work unit (e. g. per test executed in a laboratory). The transaction price excludes amounts collected on behalf of third parties, such as value-added taxes. It is common for the Groups's contracts with customers to include liquidated damages, weather standby fees or discounts that can either increase or decrease the transaction price, leading to the consideration to be variable. Variable considerations are generally constrained and recognized as revenue based on an estimate but only to the extent that it is highly probable that the amount will not be subject to significant reversal when the uncertainty is resolved. The Group estimates variable consideration using either the expected value method or the most likely amount method based on which method better predicts the amount of consideration to which it will be entitled.

The Group's services are typically sold in a bundled package of services. Several of the services from together single performance obligations. The pricing of each performance obligation is performed on a stand-alone basis without any bundle discount. Control of the single performance obligations is generally transferred to the customer over time. The transfer of control over time is supported mostly by the following conditions being met:

- Clauses in the contract that allow the customer to terminate the contract, pay for costs incurred plus a reasonable profit margin and take control of any work in progress. The Group does not create an asset with an alternative use for the Group.
- For performance obligations that are satisfied over time, revenue is recognized based on the extent of progress towards completion of the performance obligation. The selection of the method to measure progress towards completion requires judgement.
- Depending on the nature of the service the Group determines progress towards completion either based on an output oriented method (e.g. based on agreed milestones or days of operation of the vessels) or based on an input oriented method (by measuring the proportion of actual cost incurred for work performed to date, compared to total estimated cost to completion). In the Group's view this best depicts the Group's performance in transferring control of services promised to its customers.
- Payment terms for service contracts are usually based on several instalments over the duration of the contract based on pre-set contract milestones. Significant financing components are not prevalent nor material within the Group.

**Project expenses**
All expenses will be booked with a specific cost center called "Project Code". Every customer project has his own project code and so all project related expenses will now be shown based on this specific project code.
In 2024, the directly attributable project expenses were consolidated solely under "project expenses" instead of being separately reported within "project expenses", "staff costs" and "other operating expenses" as in previous years. This change was done to provide a clear presentation and appropriate disclosure in the financial statements.

## 2 Details, analyses and explanations to the financial statements

| | | 31.12.2024 | 31.12.2023 |
|---|---|---|---|
| **2.1** | **Number of Full-time Positions** | **31.12.2024** | **31.12.2023** |
| | Number of Full-time Positions on Annual Average | 134 | 101 |

| | | 31.12.2024 | 31.12.2023 |
|---|---|---|---|
| **2.2** | **Scope of Consolidation** | **31.12.2024** | **31.12.2023** |
| | | Shares of Votes and Capital | Shares of Votes and Capital |
| | Geoquip Marine Holding AG, St. Gallen | 100.00% | 100.00% |
| | Share capital total nominal in CHF 100,000<br>Activities: Holding | | |
| | Geoquip Marine Asset AG, St. Gallen | 100.00% | 100.00% |
| | Share capital total nominal in CHF 100,000<br>Activities: Manufacturing and rental of geotechnical drilling equipment | | |
| | Geoquip Marine Operations AG, St. Gallen | 100.00% | 100.00% |
| | Share capital total nominal in CHF 100,000<br>Activities: Operating and rental of geotechnical, geophysical, geoscientific and met-ocean equipment and installations, scientific research, management of vessels | | |
| | GQM Services, Bristol, UK | 100.00% | 100.00% |
| | Share capital total nominal in GBP: 1,000<br>Activities: Engineering related scientific and technical consulting activities | | |
| | Geoquip Marine Nigeria Limited, Lagos (Nigeria) | 89.00% | 89.00% |
| | Share capital total nominal in NGN 25,000,000<br>Activities: Provision of office and commercial agency services.<br>Althought the Group owns less than 100% of the voting rights of Geoquip Marine Nigeria Ltd, management has determined that the Group controls this company. The Group has control through contractual agreements with the other shareholders, who only act on a fiduciary basis. Beneficiary of all shares is Geoquip Marine Operations AG. | | |
| | Geoquip Marine USA Inc., Delaware (USA) | 100.00% | 100.00% |
| | Share capital total nominal in USD: 10<br>Incorporated: 29.09.2020<br>Activities: Provision of office and commercial agency services. | | |
| | Geoquip Marine Taiwan Ltd | 100.00% | 100.00% |
| | Share capital total nominal in NTD: 500.000<br>Incorporated: 23.04.2021<br>Activities: Operating and rental of geotechnical, geophysical, geoscientific and met-ocean equipment and installations, scientific research, management of vessels. | | |
| | Foehn Shipping Limited | 100.00% | 100.00% |
| | Share capital total nominal in EUR: 1,000<br>Activities: Manufacturing and rental of geotechnical drilling equipment | | |
| | Chinook Shipping Limited | 100.00% | 100.00% |
| | Share capital total nominal in EUR: 1,000<br>Activities: Manufacturing and rental of geotechnical drilling equipment | | |
| | Benemare Shipping Company Limited | 100.00% | 100.00% |
| | Share capital total nominal in EUR: 1,000<br>Activities: Manufacturing and rental of geotechnical drilling equipment | | |
| | Renamare Shipping Company Limited | 100.00% | 100.00% |
| | Share capital total nominal in EUR: 1,000<br>Activities: Manufacturing and rental of geotechnical drilling equipment | | |
| | Savario Shipping Company Limited | 100.00% | |
| | Share capital total nominal in EUR: 1,000<br>Activities: Manufacturing and rental of geotechnical drilling equipment | | |
| | Patarone Shipping Company Limited | 100.00% | |
| | Share capital total nominal in EUR: 1,000<br>Activities: Manufacturing and rental of geotechnical drilling equipment | | |

| | | USD 1'000 | USD 1'000 | CHF 1'000 | CHF 1'000 |
|---|---|---|---|---|---|
| **2.3** | **Long term lease contracts** | **31.12.2024** | **31.12.2023** | **31.12.2024** | **31.12.2023** |
| | Undiscounted lease commitments from rental agreements for offices in Switzerland and the UK with a non-cancellable term of more than 12 months | 1'979 | 2'142 | 1'793 | 1'803 |

| | USD 1'000 | USD 1'000 | CHF 1'000 | CHF 1'000 |
|---|---|---|---|---|
| **2.4 Tangible fixed assets** | **31.12.2024** | **31.12.2023** | **31.12.2024** | **31.12.2023** |
| Vessels and equipment | 119'576 | 92'304 | 108'366 | 77'685 |
| Other equipment | 190 | 0 | 172 | 0 |
| Assets under construction | 3'172 | 0 | 2'874 | 0 |
| **Total** | **122'938** | **92'304** | **111'412** | **77'685** |
| Cost value | 180'064 | 141'592 | 163'183 | 119'168 |
| Accumulated depreciation | -57'126 | -49'289 | -51'770 | -41'483 |
| **Net book values** | **122'938** | **92'304** | **111'412** | **77'685** |
| **Opening balance 01.01** | **92'304** | **92'201** | **77'685** | **85'747** |
| Additions | 42'994 | 12'777 | 38'964 | 10'753 |
| Reclassification | 527 | 0 | 477 | 0 |
| Disposals | 0 | 0 | 0 | 0 |
| Depreciation | -12'887 | -12'674 | -11'679 | -10'667 |
| Currency Effect | 0 | 0 | 5'966 | -8'148 |
| **Closing balance 31.12** | **122'938** | **92'304** | **111'412** | **77'685** |

| | USD 1'000 | USD 1'000 | CHF 1'000 | CHF 1'000 |
|---|---|---|---|---|
| **2.5 Liabilities to Pension Schemes / Pers. Welfare Institutions** | **31.12.2024** | **31.12.2023** | **31.12.2024** | **31.12.2023** |
| Total Liabilities | 172 | 96 | 156 | 81 |

| | USD 1'000 | USD 1'000 | CHF 1'000 | CHF 1'000 |
|---|---|---|---|---|
| **2.6 Amount of Assets used to secure own Liabilities and assets under reservation of ownership** | **31.12.2024** | **31.12.2023** | **31.12.2024** | **31.12.2023** |
| Tangible Fixed Assets (ships and equipment) | 84'561 | 77'809 | 76'634 | 65'486 |
| Bank account blocked for guarantees (financials of Geoquip Marine Operations AG) | 1'056 | 54 | 957 | 46 |
| Other receivables blocked for rent deposits | 271 | 271 | 246 | 228 |
| **Total** | **85'889** | **78'134** | **77'837** | **65'760** |

| | USD 1'000 | USD 1'000 | CHF 1'000 | CHF 1'000 |
|---|---|---|---|---|
| **2.7 Interest bearing Loans from Third Parties & Shareholders** | **31.12.2024** | **31.12.2023** | **31.12.2024** | **31.12.2023** |
| Loans third parties due between 1 and 5 years | 60'000 | 40'000 | 54'375 | 33'665 |
| Loans shareholders due between 1 and 5 years | 38'561 | 37'376 | 34'946 | 31'456 |
| Loans due between 1 and 5 years, subordinated | 10'753 | 10'753 | 9'745 | 9'050 |
| **Total** | **109'314** | **88'128** | **99'065** | **74'171** |

The loans due to third parties comprise loans to domestic banks and non-domestic banks. Interest is charged on all loans based on the contractual terms.

**2.8 Contingent liabilities**

In connection with a potential sale of the company, exit bonus agreements exist for several employees and one board member, which will become effective at the time of sale or listing. Due to the non-existence of a binding past event, the requirements for the recognition of a liability are not met as at the balance sheet date and therefore represent a contingent liability. In the event of a potential sale or IPO, a payment of 0%-12% of net proceeds is due. The minimum payment will be USD 590k.

Additionally, performance guarantees to customers for USD 4'149k are outstanding for eight on-going projects (prior year: USD 545k).

| **2.9 Reconciliation of Shareholder's Equity** | USD 1'000<br>**31.12.2024** | USD 1'000<br>**31.12.2023** | CHF 1'000<br>**31.12.2024** | CHF 1'000<br>**31.12.2023** |
|---|---|---|---|---|
| **Equity opening balance 01.01** | **17'029** | **12'262** | **14'333** | **11'378** |
| Profit of the year | 12'488 | 4'767 | 11'009 | 4'270 |
| Change of Translation differences | 0 | 0 | 1'409 | -1'315 |
| **Equity closing balance 31.12** | **29'517** | **17'029** | **26'750** | **14'333** |

| | USD 1'000 | USD 1'000 | CHF 1'000 | CHF 1'000 |
|---|---|---|---|---|
| **2.10 Project expenses** | **31.12.2024** | **31.12.2023** | **31.12.2024** | **31.12.2023** |
| Material, rental and other project related expenses | 68'773 | 54'272 | 60'625 | 48'609 |
| Subcontracted staff cost | 14'133 | 12'666 | 12'459 | 11'344 |
| **Total** | **82'906** | **66'938** | **73'083** | **59'954** |

### 2.11 Explanation of Exceptional, Non-recurring or Prior-period Expenses

This income statement line item includes expenses and income that are either not related to the current course of business or are non-recurring. The breakdown is presented as follows:

| Exceptional, Non-recurring or Prior-period Income | USD 1'000 31.12.2024 | USD 1'000 31.12.2023 | CHF 1'000 31.12.2024 | CHF 1'000 31.12.2023 |
|---|---|---|---|---|
| Accounts Receivable legal case | 739 | 2'034 | 652 | 1'712 |
| Depreciation adjustments | 1'629 | 0 | 1'436 | 0 |
| Financing advisory | 0 | 113 | 0 | 101 |
| Prior year settlement | 1'026 | 0 | 904 | 0 |
| IC loan adjustments | 0 | 1'491 | 0 | 1'336 |
| Insurance proceeds | 697 | 0 | 614 | 0 |
| Personnel legal case | 0 | 366 | 0 | 308 |
| Vendor reconciliation | 18 | 205 | 16 | 176 |
| Other e.o. income | 18 | 0 | 16 | 0 |
| **Total** | **4'127** | **4'209** | **3'638** | **3'632** |

| Exceptional, Non-recurring or Prior-period Expenses | USD 1'000 31.12.2024 | USD 1'000 31.12.2023 | CHF 1'000 31.12.2024 | CHF 1'000 31.12.2023 |
|---|---|---|---|---|
| Legal Fees | 196 | 312 | 173 | 263 |
| Transaction advisory | 647 | 224 | 571 | 201 |
| Financing advisory | 384 | 611 | 338 | 547 |
| Other e.o. expenses | 669 | 673 | 590 | 568 |
| CEO recruitment | 222 | 0 | 196 | 0 |
| Personnel legal case | 0 | 89 | 0 | 75 |
| Vendor reconciliation | 461 | 1'282 | 406 | 1'079 |
| Management advisory | 191 | 0 | 169 | 0 |
| **Total** | **2'770** | **3'190** | **2'442** | **2'732** |

| 2.12 Direct Taxes | USD 1'000 31.12.2024 | USD 1'000 31.12.2023 | CHF 1'000 31.12.2024 | CHF 1'000 31.12.2023 |
|---|---|---|---|---|
| Direct income taxes | 245 | 506 | 216 | 453 |
| Withholding taxes abroad | 0 | 735 | 0 | 658 |
| **Total** | **245** | **1'241** | **216** | **1'111** |

In certain countries, a withholding tax is charged on the income generated. As these taxes represent a definitive tax for Geoquip Marine Group, they are directly expensed and presented in tax expenses.

### 2.13 Assessment of overdue trade receivables

As of December 31, 2024, Geoquip Marine Group had overdue receivables amounting to USD 2.1 million involving six customers. By the time the financial statements were approved by the Board of Directors, payments had been received from three of these customers. The collection of the outstanding amounts from the remaining three customers is anticipated imminently. Given the typical timeframe for such collections, the valuation of the receivables is considered accurate, without the need for a provision for doubtful debts.

### 2.14 Bad-Debt Provision

As of December 31, 2024, Geoquip Marine Group has not established any provisions for bad debts. Notably, during the year 2023, Geoquip Marine Group successfully recovered a previously written-off amount of USD 1.7 million. This recovery was a result of a favorable court decision awarded to Geoquip Marine Operations AG.

### 2.15 Events after the balance sheet date

There are no significant events to report after the balance sheet date that could have a material impact on the financial statements for 2024.

Registered number: 11600693

# GQM SERVICES LTD

## ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

# GQM SERVICES LTD

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# GQM SERVICES LTD
# COMPANY INFORMATION

**Directors**

I C Hodder
R J Turner

**Registered number**

11600693

**Registered office**

Vintry Building
Wine Street
Bristol
BS1 2BD

**Independent auditors**

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Exchange House
Central Business Exchange
Midsummer Boulevard
Milton Keynes
MK9 2DF

# GQM SERVICES LTD
# DIRECTORS' REPORT
# FOR THE YEAR ENDED 31 DECEMBER 2023

The directors present their annual report and the audited financial statements of GQM Services Ltd (the "Company") for the financial year ended 31 December 2023.

**Principal activities**

The Company is an employee service company that provides geotechnical testing and customer services on behalf of the Geoquip Marine Operations AG group.

**Directors**

The directors who served during the year and up to the date of signing the financial statements, unless otherwise stated, were:

| | |
|---|---|
| I C Hodder | (appointed 22 March 2023) |
| R J Turner | |
| S E M Higginson | (resigned 22 March 2023) |

**Directors' responsibility statement**

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A, and applicable law).

Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 Section 1A have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

### Directors' confirmations

In the case of each director in office at the date the directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

### Independent auditors

Under section 487(2) of the Companies Act 2006, PricewaterhouseCoopers LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the financial statements with the registrar, whichever is earlier.

### Small companies exemption

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf by:

DocuSigned by:

467002FD7FE642A...

**R J Turner**
Director

Date: 6/25/2024

# GQM SERVICES LTD

# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GQM SERVICES LTD

## Report on the audit of the financial statements

### Opinion

In our opinion, GQM Services Ltd's financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A, and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Balance Sheet as at 31 December 2023; the Statement of Income and Retained Earnings for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Independence*

We remained independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

### Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

# GQM SERVICES LTD

# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GQM SERVICES LTD (continued)

**Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

*Directors' Report*

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2023 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

**Responsibilities for the financial statements and the audit**

*Responsibilities of the directors for the financial statements*

As explained more fully in the Directors' responsibility statement, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

# GQM SERVICES LTD

# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GQM SERVICES LTD (continued)

**Responsibilities for the financial statements and the audit (continued)**

*Auditors' responsibilities for the audit of the financial statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Company and industry, we identified that the principal risks of non-compliance with laws and regulations related to employment laws and regulations, environmental regulations and health and safety legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as UK Corporation tax legislation and the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries to manipulate financial performance. Audit procedures performed by the engagement team included:

- discussions with senior management regarding known or suspected instances of fraud and non-compliance with laws and regulations;
- testing journal entries to identify entries which met certain risk criteria, in particular journal entries with unusual account combinations;
- reviewed accounting estimates for bias and evaluated whether circumstances producing any bias represent a risk of material misstatement due to fraud; and
- incorporating elements of unpredictability in our audit approach.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

*Use of this report*

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

## Other required reporting

### Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

### Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: prepare financial statements in accordance with the small companies regime; take advantage of the small companies exemption in preparing the Directors' Report; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

Catherine Harrison

Catherine Harrison (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Milton Keynes

Date: 25/6/2024

# GQM SERVICES LTD

## STATEMENT OF INCOME AND RETAINED EARNINGS

## FOR THE YEAR ENDED 31 DECEMBER 2023

| | 2023 £ | As restated* 2022 £ |
|---|---|---|
| Turnover | **8,222,998** | 5,466,613 |
| Cost of sales | **(5,236,825)** | (3,514,107) |
| **Gross profit** | **2,986,173** | 1,952,506 |
| Administrative expenses | **(2,594,501)** | (1,606,892) |
| **Operating profit** | **391,672** | 345,614 |
| Interest payable and similar expenses | **(100)** | – |
| **Profit before taxation** | **391,572** | 345,614 |
| Tax on profit | **(100,000)** | (85,299) |
| **Profit for the financial year** | **291,572** | 260,315 |
| **Retained earnings:** | | |
| Retained earnings at the beginning of the financial year | **389,464** | 129,149 |
| Profit for the financial year | **291,572** | 260,315 |
| **Retained earnings at the end of the financial year** | **681,036** | 389,464 |

The notes on pages 10 to 16 form part of these financial statements.

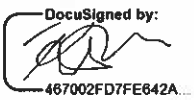
*See note 2.13 – Accounting Policies for detail on the restatement and reclassification of prior year comparatives.

# GQM SERVICES LTD
# BALANCE SHEET
# REGISTERED NUMBER: 11600693
# AS AT 31 DECEMBER 2023

| | Notes | 2023<br>£ | 2022<br>£ |
|---|---|---|---|
| **Fixed assets** | | | |
| Tangible assets | 6 | **345,896** | 432,441 |
| **Current assets** | | | |
| Debtors: amounts falling due after more than one year | 7 | **144,150** | 144,150 |
| Debtors: amounts falling due within one year | 7 | **2,066,087** | 326,486 |
| Cash at bank and in hand | | **203,767** | 32,864 |
| | | **2,414,004** | 503,500 |
| Creditors: amounts falling due within one year | 8 | **(2,077,864)** | (545,477) |
| **Net current liabilities** | | **336,140** | (41,977) |
| **Total assets less current liabilities and net assets** | | **682,036** | 390,464 |
| **Capital and reserves** | | | |
| Called up share capital | | **1,000** | 1,000 |
| Retained earnings | | **681,036** | 389,464 |
| **Total shareholders' funds** | | **682,036** | 390,464 |

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:




**R J Turner**
Director

Date: 6/25/2024

The notes on pages 10 to 16 form part of these financial statements.

## 1 General information

GQM Services Ltd (the "Company") is a private company limited by shares and is incorporated in England and Wales. The address of its registered office is Vintry Building, Wine Street, Bristol, BS1 2BD.

## 2 Accounting policies

### 2.1 Basis of preparation of financial statements

The financial statements have been prepared on a going concern basis, under the historical cost convention and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The Company's functional and presentational currency is the pound sterling.

The following principal accounting policies have been applied consistently throughout the year:

### 2.2 Going concern

The Company's forecasts and projections, made for a period of at least 12 months from the date of signing the financial statements, show that the company should be able to operate within the level of its current facilities. After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Furthermore, GEOQUIP Marine Holding AG, who owns 100% of the Company, issued a letter of comfort stating that GEOQUIP Marine Holding AG undertakes all necessary measures such that the Company will have sufficient funds available to allow it to meet its financial obligations as they fall due. This letter of comfort is valid until 30 June 2025. Therefore, as of the date of signing these financial statements, the Company continues to be a going concern based on the Group's actual financial position, including financing facilities available to support liquidity, profitability and financial forecasts which include the current order backlog as well as the fact that several projects are currently up and running.

### 2.3 Turnover

Turnover, which excludes value added taxes, represent the reimbursement for costs arising from geotechnical testing and customer services provided on behalf of Geoquip Marine Operations AG, a parent company and is recognised on costs plus mark-up basis. Costs are reported and recharged on a monthly basis based on actual costs accrued. Any estimates of revenues, costs or any extent of progress toward completion are revised if circumstances change at year end.

### 2.4 Operating leases

Rentals paid under operating leases are charged to the Statement of Income and Retained Earnings on a straight line basis over the lease term.

## 2 Accounting policies (continued)

### 2.5 Pensions

**Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Income and Retained Earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

### 2.6 Current taxation

Tax is recognised in the Statement of Income and Retained Earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date in the countries where the Company operates and generates income.

### 2.7 Tangible assets

Tangible assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

| | | |
|---|---|---|
| Laboratory equipment | – | 5 years |
| Laboratory infrastructure | – | 7 years |

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

For assets under construction, no depreciation is recorded until the asset is placed in service. When construction is completed, the asset should be reclassified as laboratory equipment or infrastructure and should be capitalized and depreciated.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Income and Retained Earnings.

### 2.8 Borrowing costs

All borrowing costs are recognised in the Statement of Income and Retained Earnings in the financial year in which they are incurred.

## 2 Accounting policies (continued)

### 2.9 Debtors

Short term and long term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

### 2.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

### 2.11 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

### 2.12 Financial instruments

The Company has applied Section 11 and 12 of FRS 102 in respect of the recognition and measurement of financial instruments.

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Income and Retained Earnings.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

## 2 Accounting policies (continued)

### 2.13 Restatement

During the financial year, management have taken a review of the classification of the cost of sales and administrative expenses within the Statement of Income and Retained Earnings. It has been determined that certain costs relating to the revenue generating activities of the Company (geotechnical testing and customer services on behalf of the Group company) meet the technical definition of cost of sales and have thus been reclassified from "administrative expenses" to "cost of sales". This has resulted in a restatement of the prior year Statement of Income and Retained Earnings. The impact on the Statement of Income and Retained Earnings is shown in note 13.

## 3 Auditors' remuneration

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Fees payable to the Company's auditors for the audit of the Company's financial statements | **35,000** | 28,605 |

The directors have agreed with the Company's auditors that the auditor's liability to damages for breach of duty in relation to the audit of the Company's financial statements for the year to 31 December 2023 should be limited to the greater of £5 million or 5 times the auditor's fees, and that in any event the auditor's liability for damages should be limited to that part of any loss suffered by the Company as is just and equitable having regard to the extent to which the auditor, the Company and any third parties are responsible for the loss in question. The shareholders approved this limited liability agreement, as required by the Companies Act 2006, by a resolution dated March 6th, 2024.

## 4 Employees

The average monthly number of employees, including directors, during the year was 87 (2022: 70).

## 5 Interest payable and similar expenses

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Bank interest payable | **30** | – |
| Other finance expense | **70** | – |
| | **100** | – |

# GQM SERVICES LTD

## NOTES TO THE FINANCIAL STATEMENTS (continued)

## FOR THE YEAR ENDED 31 DECEMBER 2023

### 6 Tangible assets

| | Laboratory equipment | Laboratory infrastructure | Total |
|---|---|---|---|
| | £ | £ | £ |
| **Cost** | | | |
| At 1 January 2023 | **360,957** | **201,893** | **562,850** |
| Additions | **54,399** | **–** | **54,399** |
| **At 31 December 2023** | **415,356** | **201,893** | **617,249** |
| **Accumulated depreciation** | | | |
| At 1 January 2023 | **84,851** | **45,558** | **130,409** |
| Charge for the year | **140,944** | **–** | **140,944** |
| **At 31 December 2023** | **225,795** | **45,558** | **271,353** |
| **Net book value** | | | |
| **At 31 December 2023** | **189,561** | **156,335** | **345,896** |
| At 31 December 2022 | 276,106 | 156,335 | 432,441 |

### 7 Debtors

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| **Due after more than one year** | | |
| Other debtors | **144,150** | 144,150 |

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| **Due within one year** | | |
| Amounts owed by group undertakings | **941,022** | 95,707 |
| Other debtors | **65,154** | 164,865 |
| Prepayments and accrued income | **1,059,911** | 65,914 |
| | **2,066,087** | 326,486 |

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

## 8 Creditors: amounts falling due within one year

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Trade creditors | **254,629** | 171,588 |
| Amounts owed to group undertakings | **654,714** | 205,711 |
| Corporation tax | **164,547** | 69,700 |
| Accruals and deferred income | **1,003,974** | 98,478 |
| | **2,077,864** | 545,477 |

Amounts owed to group undertakings represents current payables with GEOQUIP Marine Operations AG, are unsecured, interest free and repayable on demand.

## 9 Pension commitments

The Company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the Company to the scheme and amounted to £238,937 (2022: £178,407).

## 10 Commitments under operating leases

At 31 December, the Company had future minimum lease payments under non-cancellable operating leases as follows:

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Not later than 1 year | **220,735** | 230,735 |
| Later than 1 year and not later than 5 years | **144,479** | 365,214 |
| | **365,214** | 595,949 |

The Company leases office spaces for a term of three to four years at a total annual rent of approximately £100,000. During 2021, the Company also entered into a lease of laboratory facilities for a term of ten years (with break clause after five years) at an annual rent of £120,000.

## 11 Contingent liability

The Company is part of a cross guarantee with fellow group undertakings in respect of a credit facility that Geoquip Marine Holding AG holds with National Westminster Bank. The credit limit of the facility is $40,000,000. Each guarantor is jointly liable for any borrowed funds up to the total value of funds in their respective bank accounts. The total value of funds in the pledged bank accounts at year end is £203,767 (2022: £32,864).

## 12 Ultimate parent undertaking and controlling party

The immediate parent undertaking and the parent of the smallest group that the Company is included in the consolidation of is GEOQUIP Marine Holding AG, a company incorporated in Switzerland at the following address: Multergasse 1-3, 9000, St. Gallen.

# GQM SERVICES LTD
# NOTES TO THE FINANCIAL STATEMENTS (continued)
# FOR THE YEAR ENDED 31 DECEMBER 2023

## 13 Restatement

As described in note 2.13 of the financial statements, the comparative the Statement of Income and Retained Earnings information has been restated following a reclassification of costs from "administrative expenses" to "cost of sales". The Statement of Income and Retained Earnings has been restated to reflect this change. The impact of this restatement is summarised below:

| | As previously reported | Year end 2022 restatement | Restated |
|---|---|---|---|
| | £ | £ | £ |
| Cost of sales | (181,921) | (3,332,186) | (3,514,107) |
| Gross profit | 5,284,692 | (3,332,186) | 1,952,506 |
| Administrative expenses | (4,939,078) | 3,332,186 | (1,606,892) |
| Operating profit | 345,614 | – | 345,614 |

The restatement has had no impact on the 2022 net current assets, net assets or net profit amounts.

# GEOQUIP Marine Holding AG
## St. Gallen

Report of the statutory auditor
to the General Meeting

on the consolidated financial statements 2023

# Report of the statutory auditor

## to the General Meeting of GEOQUIP Marine Holding AG

## St. Gallen

## Report on the audit of the consolidated financial statements

### Opinion

We have audited the consolidated financial statements of GEOQUIP Marine Holding AG and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2023, and the consolidated income statement, the consolidated cash flow statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements comply with Swiss law and the consolidation and valuation principles described in the notes.

### Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the 'Auditor's responsibilities for the audit of the consolidated financial statements' section of our report. We are independent of the Group in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements, the consolidated financial statements and our auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Board of Directors' responsibilities for the consolidated financial statements

The Board of Directors is responsible for the preparation of consolidated financial statements in accordance with the provisions of Swiss law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

PricewaterhouseCoopers AG, Kornhausstrasse 25, Postfach, 9000 St. Gallen, Switzerland
Telefon: +41 58 792 72 00, www.pwc.ch

### Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## Report on other legal and regulatory requirements

In accordance with article 728a para. 1 item 3 CO and PS-CH 890, we confirm the existence of an internal control system that has been designed, pursuant to the instructions of the Board of Directors, for the preparation of the consolidated financial statements.

We recommend that the consolidated financial statements submitted to you be approved.

PricewaterhouseCoopers AG

| | |
|---|---|
| Gianluca Galasso | Nicol Nägele |
| Licensed audit expert<br>Auditor in charge | Licensed audit expert |

St. Gallen, 14 March 2024

Enclosure:

- Consolidated financial statements (consolidated balance sheet, consolidated income statement, consolidated cash flow statement and notes)

## Consolidated balance sheet as at 31 December

| Assets | Note | 2023 | 2022 | 2023 | 2022 |
|---|---|---|---|---|---|
| | | USD 1'000 | USD 1'000 | CHF 1'000 | CHF 1'000 |
| **Current assets** | | | | | |
| Cash and cash equivalents | | 16'871 | 8'284 | 14'199 | 7'704 |
| Trade receivables | | 7'776 | 10'202 | 6'544 | 9'488 |
| Other current receivables | | 1'312 | 772 | 1'104 | 718 |
| Inventories and uninvoiced services | | 1'930 | 2'712 | 1'624 | 2'522 |
| Accrued income and prepaid expenses | | 6'110 | 2'531 | 5'142 | 2'354 |
| **Total current assets** | | **33'999** | **24'501** | **28'614** | **22'786** |
| **Non-current assets** | | | | | |
| Financial assets | | 110 | 0 | 92 | 0 |
| *Loans to third parties* | | *110* | *0* | *92* | *0* |
| Tangible fixed assets | *2.4 / 2.6* | 92'304 | 92'201 | 77'685 | 85'747 |
| **Total non-current assets** | | **92'413** | **92'201** | **77'777** | **85'747** |
| **Total assets** | | **126'412** | **116'702** | **106'391** | **108'533** |

| Liabilities | Note | 2023 | 2022 | 2023 | 2022 |
|---|---|---|---|---|---|
| | | USD 1'000 | USD 1'000 | CHF 1'000 | CHF 1'000 |
| **Short-term liabilities** | | | | | |
| Trade payables | | 11'276 | 19'698 | 9'490 | 18'320 |
| *- Third parties* | | *11'276* | *19'138* | *9'490* | *17'799* |
| *- Shareholders* | | *0* | *560* | *0* | *521* |
| Other short-term liabilities | | 2'130 | 636 | 1'793 | 592 |
| Accrued expenses and deferred income | | 7'848 | 2'729 | 6'605 | 2'538 |
| **Total short-term liabilities** | | **21'254** | **23'064** | **17'888** | **21'449** |
| **Long-term liabilities** | | | | | |
| Long-term interest-bearing liabilities | | 88'128 | 81'375 | 74'171 | 75'679 |
| *- Third parties* | *2.7* | *40'000* | *40'000* | *33'665* | *37'200* |
| *- Shareholders* | *2.7* | *48'128* | *41'375* | *40'506* | *38'479* |
| **Total long-term liabilities** | | **88'128** | **81'375** | **74'171** | **75'679** |
| **Total liabilities** | | **109'383** | **104'439** | **92'059** | **97'128** |
| **Shareholders' equity** | | | | | |
| Share capital | | 113 | 113 | 100 | 100 |
| Legal reserves | | 34'032 | 34'032 | 30'016 | 30'016 |
| Profit/loss brought forward | | -21'883 | -5'902 | -20'009 | -4'831 |
| Profit/loss of the year | | 4'767 | -15'981 | 4'270 | -15'178 |
| Currency effects on equity | | 0 | 0 | -44 | 1'298 |
| **Total shareholders' equity** | *2.9* | **17'029** | **12'262** | **14'333** | **11'405** |
| **Total liabilities and shareholders' equity** | | **126'412** | **116'702** | **106'391** | **108'533** |

## Consolidated income statement for the financial year ended 31 December

| | Note | 2023 USD 1'000 | 2022 USD 1'000 | 2023 CHF 1'000 | 2022 CHF 1'000 |
|---|---|---|---|---|---|
| Net proceeds from sales of goods and services | | 112'024 | 86'323 | 100'335 | 81'986 |
| Project expenses | 2.10 | -66'938 | -71'940 | -59'954 | -68'325 |
| **Gross Profit** | | **45'085** | **14'383** | **40'381** | **13'660** |
| Staff costs | | -14'605 | -11'515 | -13'081 | -10'937 |
| Other operating expenses | | -4'581 | -5'604 | -4'103 | -5'323 |
| **Earnings before interest, taxes, depreciation and amortisation (EBITDA) *** | | **25'900** | **-2'737** | **23'198** | **-2'599** |
| Depreciation of fixed assets | | -12'674 | -9'324 | -11'352 | -8'856 |
| Amortisations of capitalised financing costs | | -80 | -351 | -72 | -334 |
| **Earnings before interest and taxes (EBIT) *** | | **13'146** | **-12'412** | **11'775** | **-11'789** |
| Financial income | | 531 | 59 | 476 | 56 |
| Financial expenses | | -5'612 | -1'525 | -5'026 | -1'449 |
| Currency Effects | | -1'868 | 1'846 | -1'673 | 1'753 |
| **Operating earnings before taxes *** | | **6'198** | **-12'032** | **5'551** | **-11'428** |
| Bad debt expenses | 2.14 | 0 | -1'705 | 0 | -1'619 |
| Extraordinary, non-recurring or prior-period income | 2.11 | 4'267 | 77 | 3'822 | 73 |
| Extraordinary, non-recurring or prior-period expenses | 2.11 | -4'457 | -2'133 | -3'992 | -2'026 |
| **Earnings before taxes** | | **6'008** | **-15'793** | **5'381** | **-14'999** |
| Direct taxes | 2.12 | -1'241 | -188 | -1'111 | -178 |
| **Profit/loss of the year** | | **4'767** | **-15'981** | **4'270** | **-15'178** |

*before extraordinary, non-recurring or prior period expenses

**Consolidated cash flow statement for the financial year ended 31 December**

| | 2023 | 2022 | 2023 | 2022 |
|---|---|---|---|---|
| | USD 1'000 | USD 1'000 | CHF 1'000 | CHF 1'000 |
| Profit/loss for the year | 4'767 | -15'981 | 4'270 | -14'622 |
| Depreciation of fixed assets | 12'674 | 9'324 | 10'667 | 8'532 |
| Other non-cash expenses/income items not affecting cash flow | 1'833 | 521 | 1'542 | 477 |
| Change in trade receivables | 2'427 | 3'047 | 2'042 | 2'788 |
| Change in other current receivables | -540 | 55 | -454 | 51 |
| Change in inventories | 783 | 117 | 659 | 107 |
| Change in accrued income and prepaid expenses | -3'659 | 4'736 | -3'079 | 4'334 |
| Change in trade payables | -8'423 | 4'914 | -7'089 | 4'496 |
| Change in other short-term liabilities (excl. financial liabilities) | 1'494 | -2'006 | 1'258 | -1'836 |
| Change in accrued expenses and deferred income | 5'119 | -4'215 | 4'308 | -3'856 |
| Profit (loss) on sale of property, plant and equipment | 0 | -60 | 0 | -55 |
| **Cash flow from operating activities** | **16'475** | **453** | **14'123** | **415** |
| Purchases of property, plant and equipment | -12'777 | -27'509 | -10'753 | -25'171 |
| Purchases of financial assets | -110 | 0 | -92 | 0 |
| **Cash flow from investing activities** | **-12'887** | **-27'509** | **-10'846** | **-25'171** |
| Change in short-term financial liabilities | 0 | -7'988 | 0 | -7'429 |
| Proceeds from interest-bearing liabilities | 7'500 | 46'660 | 6'312 | 42'694 |
| Repayments of interest-bearing liabilities | -2'500 | -11'811 | -2'104 | -10'807 |
| **Cash flow from financing activities** | **5'000** | **26'861** | **4'208** | **24'458** |
| Effects of exchange rate changes on cash and cash equivalents* | 0 | 0 | -990 | 244 |
| **Net increase/decrease in cash and cash equivalents** | **8'588** | **-195** | **6'496** | **-54** |
| **Cash and cash equivalents of financial statment position** | | | | |
| As at January 1 | 8'284 | 8'479 | 7'704 | 7'758 |
| As at December 31 | 16'871 | 8'284 | 14'199 | 7'704 |
| **Net increase/decrease in cash and cash equivalents** | **8'588** | **-195** | **6'496** | **-54** |

* Cash flows in CHF (2023 and 2022) are translated at the income statement rate. Cash and cash equivalents are translated at the period-end exchange rates. The resulting translation differences are shown separately.

**Notes to the 20233 consolidated financial statements**

**General Information**

Geoquip Marine is a leading name in global offshore geotechnical acquisition, analysis and reporting. We safely deliver data to clients worldwide through offshore and nearshore geotechnical site investigations, reliable geophysical surveys and comprehensive engineering services.

**1 Accounting principles applied in the preparation of the financial statements**

**General Principles / Basis of Preparation**
The consolidated financial statements of Geoquip Marine Holding AG have been prepared in accordance with the Swiss Code of Obligations (art. 957 - 963b). They are based on the individual financial statements of the Group Companies, which have been prepared in accordance with local accounting practice (book values) and under the historical cost convention, unless specified otherwise.

**Principles of Consolidation**
Subsidiaries are all entities over which the group has control. The group controls an entity where the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases. The acquisition method of accounting is used to account for business combinations by the group. Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated.

**Elimination of Intercompany Transactions**
All intercompany transactions and balances as well as intercompany profits are eliminated during the consolidation process.

**Deferred Taxes**
The consolidation is based on the applicable tax values. There were no temporary differences in the reporting year or the previous financial year. Consequently, no deferred tax liabilities are recognized. Additionally, the group companies possess tax loss carryforwards, which have not been recognized in adherence to the principle of prudence.

**Foreign Currency Translation**

*Functional and Presentation Currency*
The financial statements of each group company are measured in USD, which is their respective functional currency. As of 1 January 2021, the accounting and financial reporting have been transitioned to US dollars, which is considered the material currency for business operations across all entities. The consolidated financial statements are prepared in USD, which serves as the group's presentation currency.

For additional CHF values presented in the balance sheet, they have been translated using the exchange rate as of 31.12. The income statement and cash flow statement, on the other hand, have been translated using yearly average rates.

*Transactions and Balances*
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing in the month of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

**Foreign currencies**
Monetary items denominated in foreign currency are translated into US-Dollar using the following exchange rates:

| | | **2023** | **2022** |
|---|---|---|---|
| **a) Income statement:** Yearly average | CHF | 0.8957 | 0.9498 |
| | EUR | 0.9244 | 0.9398 |
| | GBP | 0.8028 | 0.7997 |
| **b) Balance sheet:** Exchange rate as of 31.12. | CHF | 0.8416 | 0.9300 |
| | EUR | 0.9050 | 0.9200 |
| | GBP | 0.7840 | 0.8200 |

**Accounting policies applied:**

**Cash and cash equivalents**
Cash and cash equivalents include cash on hand, deposits held on call with banks and other short-term highly liquid investments.

**Trade receivables and other current receivables**
A receivable is recognized once the company has an unconditional right to payment. Receivables are initially recognized at the transaction value according to contractual terms and conditions. They do not carry any interest. Subsequently, receivables are measured at amortized cost, which equals their transaction value less bad debt allowances for expected credit losses. Foreign currency revaluations and impairment losses are recognized in the income statement. On derecognition, gains and losses are recognized in the income statement. Bad debt allowances are calculated based on an individual assessment of the receivables. There is no general allowance for doubtful debts recognized.

**Inventories**
Inventories are valued at the lower of cost (acquisition or manufacturing cost) and net realizable value. This position mainly comprises drillpipes, drilling mud and fuel. Over the holding period, value adjustments are made for the estimated loss in value (based on a useful life of 15 years). The current allowance amounts to 59 kUSD.

**Accrued income and prepaid expenses**
Accrued income and prepaid expenses are carried at their nominal value.

**Tangible fixed assets**
Tangible fixed assets are recorded at their historical cost, less depreciation. The historical cost includes expenses directly associated with the acquisition of the assets. Subsequent costs are added to the carrying amount of the asset or recognized as a separate asset, if it is likely that future economic benefits linked to the item will be obtained and the cost can be reliably measured. When a component accounted for as a separate asset is replaced or disposed of, its carrying amount is removed. Any other repairs and maintenance expenses are expensed in the income statement during the reporting period in which they occur.

The estimated useful life of the assets are as follows:

| Assets | Operating life | Method |
|---|---|---|
| Vessels | 10 to 20 years | 5% - 10% linear |
| Rigs | 10 to 15 years | 7% - 10% linear |
| Other equipment | 3 to 10 years | 10% - 33% linear |
| Assets under construction | Not depreciated until brought into use, yearly tested for impairment | |

Depreciation is recorded in the income statement using the straight-line method over the estimated useful lives of each component of a tangible fixed asset. At the end of each reporting period, the residual values and useful lives of the assets are reviewed and adjusted if necessary. If an asset's carrying amount exceeds its estimated recoverable amount, the carrying amount is promptly written down to the recoverable amount.

**Trade payables and other short-term liabilities**
Trade and other payables are recognized at nominal value.

**Interest-bearing liabilities**
The interest-bearing liabilities are stated at their nominal value. Costs incurred in the context of the placement of loans are capitalized in the prepaid expenses and amortized straight-line over the term. The non-current portion of interest-bearing liabilities denominated in foreign currencies is valued at the higher of the historical rate and the current exchange rate.

**Share Capital**
The share capital of Geoquip Marine Holding AG amounts to CHF 100'000 (USD 113k) and is composed of 100'000 shares each with a nominal value of CHF 1. All shares are registered and paid in full.

**Recognition of revenue**
Revenue is recognized when control of the promised goods or services is transferred to the customers, in an amount that reflects the consideration the Group expects to be entitled to in exchange for those goods or services. The Group primarily generates revenue from services.

Revenue is measured based on the consideration contractually agreed with the customer. Common considerations are fixed price, daily rates or rates per work unit (e. g. per test executed in a laboratory). The transaction price excludes amounts collected on behalf of third parties, such as value-added taxes. It is common for the Groups's contracts with customers to include liquidated damages, weather standby fees or discounts that can either increase or decrease the transaction price, leading to the consideration to be variable. Variable considerations are generally constrained and recognized as revenue based on an estimate but only to the extent that it is highly probable that the amount will not be subject to significant reversal when the uncertainty is resolved. The Group estimates variable consideration using either the expected value method or the most likely amount method based on which method better predicts the amount of consideration to which it will be entitled.

The Group's services are typically sold in a bundled package of services. Several of the services from together single performance obligations. The pricing of each performance obligation is performed on a stand-alone basis without any bundle discount. Control of the single performance obligations is generally transferred to the customer over time. The transfer of control over time is supported mostly by the following conditions being met:

- Clauses in the contract that allow the customer to terminate the contract, pay for costs incurred plus a reasonable profit margin and take control of any work in progress. The Group does not create an asset with an alternative use for the Group.
- For performance obligations that are satisfied over time, revenue is recognized based on the extent of progress towards completion of the performance obligation. The selection of the method to measure progress towards completion requires judgement.
- Depending on the nature of the service the Group determines progress towards completion either based on an output oriented method (e.g. based on agreed milestones or days of operation of the vessels) or based on an input oriented method (by measuring the proportion of actual cost incurred for work performed to date, compared to total estimated cost to completion). In the Group's view this best depicts the Group's performance in transferring control of services promised to its customers.
- Payment terms for service contracts are usually based on several instalments over the duration of the contract based on pre-set contract milestones. Significant financing components are not prevalent nor material within the Group.

## 2 Details, analyses and explanations to the financial statements

| | | 31.12.2023 | 31.12.2022 |
|---|---|---|---|
| **2.1** | **Number of Full-time Positions** | | |
| | Number of Full-time Positions on Annual Average | 101 | 71 |

| | | 31.12.2023 | 31.12.2022 |
|---|---|---|---|
| **2.2** | **Scope of Consolidation** | Shares of Votes and Capital | Shares of Votes and Capital |
| | Geoquip Marine Holding AG, St. Gallen | 100.00% | 100.00% |
| | Share capital total nominal in CHF 100,000<br>Activities: Holding | | |
| | Geoquip Marine Asset AG, St. Gallen | 100.00% | 100.00% |
| | Share capital total nominal in CHF 100,000<br>Activities: Manufacturing and rental of geotechnical drilling equipment | | |
| | Geoquip Marine Operations AG, St. Gallen | 100.00% | 100.00% |
| | Share capital total nominal in CHF 100,000<br>Activities: Operating and rental of geotechnical, geophysical, geoscientific and met-ocean equipment and installations, scientific research, management of vessels | | |
| | GQM Services, Bristol, UK | 100.00% | 100.00% |
| | Share capital total nominal in GBP: 1,000<br>Activities: Engineering related scientific and technical consulting activities | | |
| | Geoquip Marine Nigeria Limited, Lagos (Nigeria) | 89.00% | 89.00% |
| | Share capital total nominal in NGN 25,000,000<br>Activities: Provision of office and commercial agency services.<br>Althought the Group owns less than 100% of the voting rights of Geoquip Marine Nigeria Ltd, management has determined that the Group controls this company. The Group has control through contractual agreements with the other shareholders, who only act on a fiduciary basis. Beneficiary of all shares is Geoquip Marine Operations AG. | | |
| | Geoquip Marine USA Inc., Delaware (USA) | 100.00% | 100.00% |
| | Share capital total nominal in USD: 10<br>Incorporated: 29.09.2020<br>Activities: Provision of office and commercial agency services. | | |
| | Geoquip Marine Taiwan Ltd | 100.00% | 100.00% |
| | Share capital total nominal in NTD: 500.000<br>Incorporated: 23.04.2021<br>Activities: Operating and rental of geotechnical, geophysical, geoscientific and met-ocean equipment and installations, scientific research, management of vessels. | | |
| | Foehn Shipping Limited | 100.00% | 100.00% |
| | Share capital total nominal in EUR: 1,000<br>Activities: Manufacturing and rental of geotechnical drilling equipment | | |
| | Chinook Shipping Limited | 100.00% | 100.00% |
| | Share capital total nominal in EUR: 1,000<br>Activities: Manufacturing and rental of geotechnical drilling equipment | | |
| | Benemare Shipping Limited | 100.00% | 100.00% |
| | Share capital total nominal in EUR: 1,000<br>Activities: Manufacturing and rental of geotechnical drilling equipment | | |
| | Renamare Shipping Limited | 100.00% | 100.00% |
| | Share capital total nominal in EUR: 1,000<br>Activities: Manufacturing and rental of geotechnical drilling equipment | | |

| | | USD 31.12.2023 | USD 31.12.2022 | CHF 31.12.2023 | CHF 31.12.2022 |
|---|---|---|---|---|---|
| **2.3** | **Long term lease contracts** | | | | |
| | Undiscounted lease commitments from rental agreements for offices in Switzerland and the UK with a non-cancellable term of more than 12 months | 2'142 | 1'724 | 1'803 | 1'603 |

| | | USD 31.12.2023 | USD 31.12.2022 | CHF 31.12.2023 | CHF 31.12.2022 |
|---|---|---|---|---|---|
| **2.4** | **Tangible fixed assets** | | | | |
| | Vessels and equipment | 92'304 | 92'044 | 77'685 | 85'601 |
| | Assets under construction | 0 | 157 | 0 | 146 |
| | **Total** | **92'304** | **92'201** | **77'685** | **85'747** |
| | Cost value | 141'592 | 129'203 | 119'168 | 120'159 |
| | Accumulated depreciation | -49'289 | -37'003 | -41'483 | -34'412 |
| | **Net book values** | **92'304** | **92'201** | **77'685** | **85'747** |
| | **Opening balance 01.01** | **92'201** | **74'125** | **85'747** | **67'825** |
| | Additions | 12'777 | 49'399 | 10'753 | 45'941 |
| | Disposals | 0 | -21'533 | 0 | -20'025 |
| | Depreciation | -12'674 | -9'324 | -10'667 | -8'672 |
| | Currency Effect | 0 | -466 | -8'148 | 678 |
| | **Closing balance 31.12** | **92'304** | **92'201** | **77'685** | **85'747** |

| | | USD 31.12.2023 | USD 31.12.2022 | CHF 31.12.2023 | CHF 31.12.2022 |
|---|---|---|---|---|---|
| **2.5** | **Liabilities to Pension Schemes / Pers. Welfare Institutions** | | | | |
| | Total Liabilities | 96 | 14 | 81 | 13 |

| | | USD 31.12.2023 | USD 31.12.2022 | CHF 31.12.2023 | CHF 31.12.2022 |
|---|---|---|---|---|---|
| **2.6** | **Amount of Assets used to secure own Liabilities and assets under reservation of ownership** | | | | |
| | Tangible Fixed Assets (ships and equipment) | 77'809 | 76'503 | 65'486 | 71'148 |
| | Bank account blocked for guarantees (financials of Geoquip Marine Operations AG) | 54 | 0 | 46 | 0 |
| | Other receivables blocked for rent deposits | 271 | 80 | 228 | 74 |
| | **Total** | **78'134** | **76'583** | **65'760** | **71'222** |

| | | USD | USD | CHF | CHF |
|---|---|---|---|---|---|
| 2.7 | **Interest bearing Loans from Third Parties & Shareholders** | **31.12.2023** | **31.12.2022** | **31.12.2023** | **31.12.2022** |
| | Loans third parties due between 1 and 5 years | 40'000 | 40'000 | 33'665 | 37'200 |
| | Loans shareholders due between 1 and 5 years | 37'376 | 30'623 | 31'456 | 38'479 |
| | Loans due between 1 and 5 years, subordinated | 10'753 | 10'753 | 9'050 | 10'000 |
| | **Total** | **88'128** | **81'375** | **74'171** | **85'679** |

The loans due to third parties comprise loans to domestic banks and non-domestic banks. Interest is charged on all loans based on the contractual terms.

**2.8 Contingent liabilities**

In connection with a potential sale of the company, exit bonus agreements exist for several employees and one board member, which will become effective at the time of sale or listing. Due to the non-existence of a binding past event, the requirements for the recognition of a liability are not met as at the balance sheet date and therefore represent a contingent liability. In the event of a potential sale or IPO, a payment of 0%-12% of net proceeds is due. The minimum payment will be USD 590k.

Additionally, performance guarantees to customers for USD 545k are outstanding for two on-going projects.

| | | USD | USD | CHF | CHF |
|---|---|---|---|---|---|
| 2.9 | **Reconciliation of Shareholder's Equity** | **31.12.2023** | **31.12.2022** | **31.12.2023** | **31.12.2022** |
| | **Equity opening balance 01.01** | **12'262** | **28'243** | **11'378** | **25'843** |
| | Profit of the year | 4'767 | -15'981 | 4'270 | -15'178 |
| | Change of Translation differences | 0 | 0 | -1'315 | 713 |
| | **Equity closing balance 31.12** | **17'029** | **12'262** | **14'333** | **11'378** |

| | | USD | USD | CHF | CHF |
|---|---|---|---|---|---|
| 2.10 | **Project expenses** | **31.12.2023** | **31.12.2022** | **31.12.2023** | **31.12.2022** |
| | Material, rental and other project related expenses | 54'272 | 53'472 | 48'609 | 50'785 |
| | Subcontracted staff cost | 12'666 | 18'468 | 11'344 | 17'540 |
| | **Total** | **66'938** | **71'940** | **59'954** | **68'325** |

**2.11 Explanation of Exceptional, Non-recurring or Prior-period Expenses**

This income statement line item includes expenses and income that are either not related to the current course of business or are non-recurring. The breakdown is presented as follows:

| | USD | USD | CHF | CHF |
|---|---|---|---|---|
| **Exceptional, Non-recurring or Prior-period Expenses** | **31.12.2023** | **31.12.2022** | **31.12.2023** | **31.12.2022** |
| Legal Fees | 312 | 246 | 263 | 229 |
| Transaction advisory | 224 | 375 | 201 | 355 |
| Financing advisory | 611 | 518 | 547 | 490 |
| Incorporation setup expenses | 0 | 34 | 0 | 32 |
| Other e.o. expenses | 673 | 0 | 568 | 0 |
| Personnel legal case | 89 | 649 | 75 | 603 |
| Vendor reconciliation | 1'282 | 0 | 1'079 | - |
| Consolidated profit/loss brought forward adjustments | 0 | -170 | 0 | -161 |
| Subordination from IC loan to Geoquip Marine Operations AG | 0 | 13'474 | 0 | 12'797 |
| **Total** | **3'190** | **15'125** | **2'732** | **14'345** |

| | | USD | USD | CHF | CHF |
|---|---|---|---|---|---|
| 2.12 | **Direct Taxes** | **31.12.2023** | **31.12.2022** | **31.12.2023** | **31.12.2022** |
| | Direct income taxes | 506 | 186 | 453 | 177 |
| | Withholding taxes abroad | 735 | 2 | 658 | 2 |
| | **Total** | **1'241** | **188** | **1'111** | **178** |

In certain countries, a withholding tax is charged on the income generated. As these taxes represent a definitive tax for Geoquip Marine Group, they are directly expensed and presented in tax expenses.

**2.13 Assessment of overdue trade receivables**

As of December 31, 2023, Geoquip Marine Group had overdue receivables amounting to USD 1.6 million involving six customers. By the time the financial statements were approved by the Board of Directors, payments had been received from three of these customers. The collection of the outstanding amounts from the remaining three customers is anticipated imminently. Given the typical timeframe for such collections, the valuation of the receivables is considered accurate, without the need for a provision for doubtful debts.

**2.14 Bad-Debt Provision**

As of December 31, 2023, Geoquip Marine Group has not established any provisions for bad debts. Notably, during the year 2023, Geoquip Marine Group successfully recovered a previously written-off amount of USD 1.7 million. This recovery was a result of a favorable court decision awarded to Geoquip Marine Operations AG.

**2.15 Events after the balance sheet date**

There are no significant events to report after the balance sheet date that could have a material impact on the financial statements for 2023.

Registered number: 11600693

# GQM SERVICES LTD

# ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

# GQM SERVICES LTD
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# GQM SERVICES LTD
# COMPANY INFORMATION

**Directors**

I C Hodder
R J Turner

**Registered number**

11600693

**Registered office**

Vintry Building
Wine Street
Bristol
BS1 2BD

**Independent auditors**

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
One Chamberlain Square
Birmingham
B3 3AX

# GQM SERVICES LTD
# DIRECTORS' REPORT
# FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their annual report and the audited financial statements of GQM Services Ltd (the "Company") for the financial year ended 31 December 2022.

**Principal activities**

The Company is an employee service company with costs recharged to the Group.

**Directors**

The directors who served during the year and up to the date of signing the financial statements, unless otherwise stated, were:

| | |
|---|---|
| I C Hodder | (appointed 22 March 2023) |
| R J Turner | (appointed 1 December 2022) |
| S E M Higginson | (resigned 22 March 2023) |
| S J Miller | (resigned 1 December 2022) |

**Directors' responsibility statement**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A, and applicable law).

Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 Section 1A have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

# GQM SERVICES LTD
# DIRECTORS’ REPORT (continued)
# FOR THE YEAR ENDED 31 DECEMBER 2022

**Directors’ confirmations**

In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

**Independent auditors**

Under section 487(2) of the Companies Act 2006, PricewaterhouseCoopers LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the financial statements with the registrar, whichever is earlier.

**Small companies exemption**

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf by:

**R J Turner**
Director

Date: 28th september 2023

# INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF GQM SERVICES LTD

## Report on the audit of the financial statements

**Opinion**

In our opinion, GQM Services Ltd's financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A, and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Balance Sheet as at 31 December 2022; the Statement of Income and Retained Earnings for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Independence*

We remained independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

**Conclusions relating to going concern**

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the members' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the members with respect to going concern are described in the relevant sections of this report.

**Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The members are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

*Directors' Report*

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

**Responsibilities for the financial statements and the audit**

*Responsibilities of the members for the financial statements*

As explained more fully in the Directors' responsibility statement, the members are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The members are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the members are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the members either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

**Responsibilities for the financial statements and the audit (continued)**

*Auditors' responsibilities for the audit of the financial statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Company and industry, we identified that the principal risks of non-compliance with laws and regulations related to UK Corporation tax legislation and the Companies Act 2006, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries to manipulate financial performance. Audit procedures performed by the engagement team included:

- discussions with management and those charged with governance regarding known or suspected instances of fraud and non-compliance with laws and regulations; and
- testing journal entries to identify entries which met certain risk criteria, in particular journal entries with unusual account combinations.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

*Use of this report*

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

# INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF GQM SERVICES LTD (continued)

## Other required reporting

**Companies Act 2006 exception reporting**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of members’ remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

**Entitlement to exemptions**

Under the Companies Act 2006 we are required to report to you if, in our opinion, the members were not entitled to: prepare financial statements in accordance with the small companies regime; take advantage of the small companies exemption in preparing the Directors' Report; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

Matthew Mullins (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Birmingham

Date: 28 September 2023

# GQM SERVICES LTD

## STATEMENT OF INCOME AND RETAINED EARNINGS

## FOR THE YEAR ENDED 31 DECEMBER 2022

| | **2022** | 2021 |
|---|---|---|
| | **£** | £ |
| Turnover | **5,466,613** | 3,820,848 |
| Cost of sales | **(181,921)** | (24,523) |
| **Gross profit** | **5,284,692** | 3,796,325 |
| Administrative expenses | **(4,939,078)** | (3,722,367) |
| **Profit before taxation** | **345,614** | 73,958 |
| Tax on profit | **(85,299)** | 7,251 |
| **Profit for the financial year** | **260,315** | 81,209 |
| **Retained earnings:** | | |
| Retained earnings at the beginning of the financial year | **129,149** | 47,940 |
| Profit for the financial year | **260,315** | 81,209 |
| **Retained earnings at the end of the financial year** | **389,464** | 129,149 |

The notes on pages 10 to 14 form part of these financial statements.

# GQM SERVICES LTD
# BALANCE SHEET
# REGISTERED NUMBER: 11600693
# AS AT 31 DECEMBER 2022

| | Notes | 2022<br>£ | 2021<br>£ |
|---|---|---|---|
| **Fixed assets** | | | |
| Tangible assets | 5 | **432,441** | 401,285 |
| | | | |
| **Current assets** | | | |
| Debtors: amounts falling due after more than one year | 6 | **144,150** | 110,550 |
| Debtors: amounts falling due within one year | 6 | **326,486** | 570,143 |
| Cash at bank and in hand | | **32,864** | 8,283 |
| | | **503,500** | 688,976 |
| Creditors: amounts falling due within one year | 7 | **(545,477)** | (960,112) |
| **Net current liabilities** | | **(41,977)** | (271,136) |
| **Total assets less current liabilities and net assets** | | **390,464** | 130,149 |
| | | | |
| **Capital and reserves** | | | |
| Called up share capital | | **1,000** | 1,000 |
| Retained earnings | | **389,464** | 129,149 |
| **Total shareholders' funds** | | **390,464** | 130,149 |

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

**R J Turner**
Director

Date: 28th Septmember 2023

The notes on pages 10 to 14 form part of these financial statements.

## 1 General information

GQM Services Ltd (the "Company") is a private company limited by shares and is incorporated in England and Wales. The address of its registered office is Vintry Building, Wine Street, Bristol, BS1 2BD.

## 2 Accounting policies

### 2.1 Basis of preparation of financial statements

The financial statements have been prepared on a going concern basis, under the historical cost convention and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The Company's functional and presentational currency is the pound sterling.

The following principal accounting policies have been applied consistently throughout the year:

### 2.2 Going concern

GEOQUIP Marine Holding AG, who owns 100% of GQM, issued a letter of comfort stating that GEOQUIP Marine Holding AG undertakes all necessary measures such that GQM will have sufficient funds available to allow it to meet its financial obligations as they fall due. Furthermore, as of the date of signing these financial statements, the Group continues to be a going concern based on the Group's actual financial position, including financing facilities available to support liquidity, profitability and financial forecasts which include the current order backlog as well as the fact that several projects are currently up and running.

### 2.3 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

**Rendering of services**

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

### 2.4 Operating leases

Rentals paid under operating leases are charged to the Statement of Income and Retained Earnings on a straight line basis over the lease term.

## 2 Accounting policies (continued)

### 2.5 Pensions

**Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Income and Retained Earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

### 2.6 Current taxation

Tax is recognised in the Statement of Income and Retained Earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date in the countries where the Company operates and generates income.

### 2.7 Tangible assets

Tangible assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

| | | |
|---|---|---|
| Laboratory equipment | – | 5 years |
| Laboratory infrastructure | – | 7 years |

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

For assets under construction, no depreciation is recorded until the asset is placed in service. When construction is completed, the asset should be reclassified as laboratory equipment or infrastructure and should be capitalized and depreciated.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Income and Retained Earnings.

**2 Accounting policies (continued)**

**2.8 Debtors**

Short term and long term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**2.9 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**2.10 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**2.11 Financial instruments**

The Company has applied Section 11 and 12 of FRS 102 in respect of the recognition and measurement of financial instruments.

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Income and Retained Earnings.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

### 3 Auditors' remuneration

| | **2022** | 2021 |
|---|---|---|
| | **£** | **£** |
| Fees payable to the Company's auditors for the audit of the Company's financial statements | **28,605** | 29,605 |

### 4 Employees

The average monthly number of employees, including directors, during the year was 70 (2021: 58).

### 5 Tangible assets

| | **Laboratory equipment** | **Laboratory infrastructure** | **Assets under construction** | **Total** |
|---|---|---|---|---|
| | **£** | **£** | **£** | **£** |
| **Cost** | | | | |
| At 1 January 2022 | **237,569** | **201,893** | **–** | **439,462** |
| Additions | **123,388** | **–** | **25,406** | **148,794** |
| Transfers | **–** | **–** | **(25,406)** | **(25,406)** |
| **At 31 December 2022** | **360,957** | **201,893** | **–** | **562,850** |
| **Accumulated depreciation** | | | | |
| At 1 January 2022 | **23,756** | **14,421** | **–** | **38,177** |
| Charge for the year | **61,095** | **31,137** | **–** | **92,232** |
| **At 31 December 2022** | **84,851** | **45,558** | **–** | **130,409** |
| **Net book value** | | | | |
| **At 31 December 2022** | **276,106** | **156,335** | **–** | **432,441** |
| At 31 December 2021 | 213,813 | 187,472 | – | 401,285 |

### 6 Debtors

| | **2022** | 2021 |
|---|---|---|
| | **£** | £ |
| **Due after more than one year** | | |
| Other debtors | **144,150** | 110,550 |

| | **2022** | 2021 |
|---|---|---|
| | **£** | £ |
| **Due within one year** | | |
| Amounts owed by group undertakings | **95,707** | 472,749 |
| Other debtors | **164,865** | 49,128 |
| Prepayments and accrued income | **65,914** | 48,266 |
| | **326,486** | 570,143 |

## 6 Debtors (continued)

Included in other debtors is a deposit on the leased office of £144,150 (2021: £110,550).

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

## 7 Creditors: amounts falling due within one year

| | **2022** | 2021 |
|---|---|---|
| | **£** | £ |
| Trade creditors | **171,588** | 133,009 |
| Amounts owed to group undertakings | **205,711** | 693,237 |
| Corporation tax | **69,700** | – |
| Accruals and deferred income | **98,478** | 133,866 |
| | **545,477** | 960,112 |

Amounts owed to group undertakings represents current account with GEOQUIP Marine Operations AG, are unsecured, interest free and repayable on demand.

## 8 Pension commitments

The Company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the Company to the scheme and amounted to £178,407 (2021: £127,954).

## 9 Commitments under operating leases

At 31 December, the Company had future minimum lease payments under non-cancellable operating leases as follows:

| | **2022** | 2021 |
|---|---|---|
| | **£** | £ |
| Not later than 1 year | **230,735** | 340,735 |
| Later than 1 year and not later than 5 years | **365,214** | 595,949 |
| | **595,949** | 936,684 |

The Company leases office spaces for a term of three to four years at a total annual rent of approximately £220,000. During 2021, the Company also entered into a lease of laboratory facilities for a term of ten years (with break clause after five years) at an annual rent of £120,000.

## 10 Ultimate parent undertaking and controlling party

The immediate parent undertaking and the parent of the smallest group that the Company is included in the consolidation of is GEOQUIP Marine Holding AG, a company incorporated in Switzerland at the following address: Multergasse 1-3, 9000, St. Gallen.

# GEOQUIP Marine Holding AG
## St. Gallen

Report of the statutory auditor
to the General Meeting

on the consolidated financial statements 2022

# Report of the statutory auditor

to the General Meeting of GEOQUIP Marine Holding AG

St. Gallen

## Report on the audit of the consolidated financial statements

### Opinion

We have audited the consolidated financial statements of GEOQUIP Marine Holding AG and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2022, and the consolidated income statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements comply with Swiss law and the consolidation and valuation principles described in the notes.

### Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the 'Auditor's responsibilities for the audit of the consolidated financial statements' section of our report. We are independent of the Group in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Board of Directors' responsibilities for the consolidated financial statements

The Board of Directors is responsible for the preparation of the consolidated financial statements in accordance with the provisions of Swiss law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## Report on other legal and regulatory requirements

In accordance with article 728a paragraph 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists which has been designed for the preparation of the consolidated financial statements according to the instructions of the Board of Directors.

We recommend that the consolidated financial statements submitted to you be approved.

Additionally, we point out that contrary to the requirements of article 958 para. 3 CO, a business report was not prepared within six months of the end of the financial year and submitted to the general meeting of shareholders for approval. Furthermore, the annual general meeting did not convene within six months of the end of the financial year, which is contrary to the requirements of article 699 para. 2 CO.

PricewaterhouseCoopers AG

| | |
|---|---|
| Gianluca Galasso | Nicol Nägele |
| Licensed audit expert<br>Auditor in charge | Licensed audit expert |

St. Gallen, 14 July 2023

Enclosure:

- Consolidated financial statements (consolidated balance sheet, consolidated income statement, consolidated cash flow statement and notes)

## Consolidated income statement for the financial year ended 31 December

| | Note | 2022<br>USD 1'000 | 2021<br>USD 1'000 | 2022<br>CHF 1'000 | 2021<br>CHF 1'000 |
|---|---|---|---|---|---|
| Net proceeds from sales of goods and services | | 86'323 | 96'005 | 81'986 | 87'845 |
| Project expenses | *2.10* | -71'940 | -59'522 | -68'325 | -54'463 |
| **Gross Profit** | | **14'383** | **36'483** | **13'660** | **33'382** |
| Staff costs | | -11'515 | -10'572 | -10'937 | -9'673 |
| Other operating expenses | | -5'604 | -3'585 | -5'323 | -3'280 |
| **Earnings before interest, taxes, depreciation and amortisation (EBITDA) *** | | **-2'737** | **22'326** | **-2'599** | **20'429** |
| Depreciation of fixed assets | | -9'324 | -7'472 | -8'856 | -6'837 |
| Amortisations of capitalised financing costs | | -351 | -151 | -334 | -138 |
| **Earnings before interest and taxes (EBIT) *** | | **-12'412** | **14'704** | **-11'789** | **13'454** |
| Financial income | | 59 | 155 | 56 | 142 |
| Financial expenses | | -1'525 | -884 | -1'449 | -809 |
| Currency Effects | | 1'846 | 1'011 | 1'753 | 925 |
| **Operating earnings before taxes *** | | **-12'032** | **14'986** | **-11'428** | **13'712** |
| Bad debt expenses | *2.14* | -1'705 | 0 | -1'619 | 0 |
| Extraordinary, non-recurring or prior-period income | | 77 | 0 | 73 | 0 |
| Extraordinary, non-recurring or prior-period expenses | | -2'133 | -2'445 | -2'026 | -2'237 |
| **Earnings before taxes** | | **-15'793** | **12'541** | **-14'999** | **11'475** |
| Direct taxes | *2.12* | -188 | -1'569 | -178 | -1'436 |
| **Profit/loss of the year** | | **-15'981** | **10'972** | **-15'178** | **10'040** |

*before extraordinary, non-recurring or prior period expenses

## Consolidated balance sheet as at 31 December

| Assets | Note | 2022 | 2021 | 2022 | 2021 |
|---|---|---|---|---|---|
| | | USD 1'000 | USD 1'000 | CHF 1'000 | CHF 1'000 |
| **Current assets** | | | | | |
| Cash and cash equivalents | | 8'284 | 8'479 | 7'704 | 7'758 |
| Trade receivables | | 10'202 | 13'249 | 9'488 | 12'123 |
| Other current receivables | | 772 | 828 | 718 | 757 |
| Inventories and uninvoiced services | | 2'712 | 2'829 | 2'522 | 2'589 |
| Accrued income and prepaid expenses | | 2'531 | 7'618 | 2'354 | 6'970 |
| **Total current assets** | | **24'501** | **33'003** | **22'786** | **30'197** |
| **Non-current assets** | | | | | |
| Tangible fixed assets | *2.4 / 2.6* | 92'201 | 74'125 | 85'747 | 67'825 |
| **Total non-current assets** | | **92'201** | **74'125** | **85'747** | **67'825** |
| **Total assets** | | **116'701.891** | **107'128** | **108'533** | **98'022** |

| Liabilities | Note | 2022 | 2021 | 2022 | 2021 |
|---|---|---|---|---|---|
| | | USD 1'000 | USD 1'000 | CHF 1'000 | CHF 1'000 |
| **Short-term liabilities** | | | | | |
| Trade payables | | 19'698 | 14'784 | 18'320 | 13'528 |
| *- Third parties* | | *19'138* | *14'223* | *17'799* | *13'014* |
| *- Shareholders* | | *560* | *562* | *521* | *514* |
| Short-term interest-bearing liabilities | | 0 | 7'988 | 0 | 7'309 |
| Other short-term liabilities | | 636 | 2'642 | 592 | 2'418 |
| Accrued expenses and deferred income | | 2'729 | 6'944 | 2'538 | 6'353 |
| **Total short-term liabilities** | | **23'064** | **32'359** | **21'449** | **29'608** |
| **Long-term liabilities** | | | | | |
| Long-term interest-bearing liabilities | | 81'375 | 46'526 | 75'679 | 42'571 |
| *- Third parties* | *2.7* | *40'000* | *11'811* | *37'200* | *10'807* |
| *- Shareholders* | *2.7* | *41'375* | *34'715* | *38'479* | *31'765* |
| **Total long-term liabilities** | | **81'375** | **46'526** | **75'679** | **42'571** |
| **Total liabilities** | | **104'439** | **78'885** | **97'128** | **72'179** |
| **Shareholders' equity** | | | | | |
| Share capital | | 113 | 113 | 100 | 100 |
| Legal reserves | | 34'032 | 34'032 | 30'016 | 30'016 |
| Profit/loss brought forward | | -5'902 | -16'874 | -4'831 | -14'871 |
| Profit/loss of the year | | -15'981 | 10'972 | -15'178 | 10'040 |
| Currency effects on equity | | 0 | 0 | 1'298 | 558 |
| **Total shareholders' equity** | *2.9* | **12'262** | **28'243** | **11'405** | **25'843** |
| **Total liabilities and shareholders' equity** | | **116'702** | **107'128** | **108'533** | **98'022** |

**Consolidated cash flow statement for the financial year ended 31 December**

| | 2022 | 2021 | 2022 | 2021 |
|---|---|---|---|---|
| | USD 1'000 | USD 1'000 | CHF 1'000 | CHF 1'000 |
| Profit/loss for the year | -15'981 | 10'972 | -14'622 | 10'040 |
| Depreciation of fixed assets | 9'324 | 7'472 | 8'532 | 6'837 |
| Other non-cash expenses/income items not affecting cash flow | 521 | -1'297 | 477 | -1'187 |
| Change in trade receivables | 3'047 | -5'569 | 2'788 | -5'096 |
| Change in other current receivables | 55 | -35 | 51 | -32 |
| Change in inventories | 117 | -796 | 107 | -728 |
| Change in accrued income and prepaid expenses | 4'736 | 1'989 | 4'334 | 1'820 |
| Change in trade payables | 4'914 | 3'370 | 4'496 | 3'083 |
| Change in other short-term liabilities (excl. financial liabilities) | -2'006 | 1'613 | -1'836 | 1'476 |
| Change in accrued expenses and deferred income | -4'215 | 3'430 | -3'856 | 3'139 |
| Profit (loss) on sale of property, plant and equipment | -60 | 0 | -55 | 0 |
| **Cash flow from operating activities** | **453** | **21'149** | **415** | **19'351** |
| Purchases of property, plant and equipment | -27'509 | -19'198 | -25'171 | -17'566 |
| **Cash flow from investing activities** | **-27'509** | **-19'198** | **-25'171** | **-17'566** |
| Change in short-term financial liabilities | -7'988 | 0 | -7'429 | 0 |
| Proceeds from interest-bearing liabilities | 46'660 | 9'852 | 42'694 | 9'015 |
| Repayments of interest-bearing liabilities | -11'811 | -6'346 | -10'807 | -5'807 |
| **Cash flow from financing activities** | **26'861** | **3'506** | **24'458** | **3'208** |
| Effects of exchange rate changes on cash and cash equivalents* | 0 | 0 | 244 | 100 |
| **Net increase/decrease in cash and cash equivalents** | **-195** | **5'457** | **-54** | **5'093** |
| **Cash and cash equivalents of financial statment position** | | | | |
| As at January 1 | 8'479 | 3'022 | 7'758 | 2'665 |
| As at December 31 | 8'284 | 8'479 | 7'704 | 7'758 |
| **Net increase/decrease in cash and cash equivalents** | **-195** | **5'457** | **-54** | **5'093** |

* Cash flows in CHF (2022 and 2021) are translated at the income statement rate. Cash and cash equivalents are translated at the period-end exchange rates. The resulting translation differences are shown separately.

**Notes to the 2022 consolidated financial statements**

**General Information**

Geoquip Marine is a geotechnical data acquisition company. We provide offshore and nearshore surveys, investigations and engineering services to clients worldwide.

**1 Accounting principles applied in the preparation of the financial statements**

**General Principles / Basis of Preparation**
The consolidated financial statements of Geoquip Marine Holding AG have been prepared in accordance with the Swiss Code of Obligations (art. 957 - 963b). They are based on the individual financial statements of the Group Companies, which have been prepared in accordance with local accounting practice (book values) and under the historical cost convention, unless specified otherwise.

**Principles of Consolidation**
Subsidiaries are all entities over which the group has control. The group controls an entity where the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases. The acquisition method of accounting is used to account for business combinations by the group. Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated.

**Elimination of Intercompany Transactions**
All intercompany transactions and balances as well as intercompany profits are eliminated during the consolidation process.

**Deferred Taxes**
The consolidation is based on the applicable tax values, as there were no temporary differences in the reporting year or the previous financial year. Consequently, no deferred tax liabilities are recognized. Additionally, the group companies possess tax loss carryforwards, which have not been recognized in adherence to the principle of prudence.

**Foreign Currency Translation**

*Functional and Presentation Currency*
The financial statements of each group company are measured in USD, which is their respective functional currency. As of 1 January 2021, the accounting and financial reporting have been transitioned to US dollars, which is considered the material currency for business operations across all entities. The consolidated financial statements are prepared in USD, which serves as the group's presentation currency.

For additional CHF values presented in the balance sheet, they have been translated using the exchange rate as of 31.12. The income statement and cash flow statement, on the other hand, have been translated using yearly average rates.

*Transactions and Balances*
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing in the month of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

**Foreign currencies**
Monetary items denominated in foreign currency are translated into US-Dollar using the following exchange rates:

| | | 2022 | 2021 |
|---|---|---|---|
| **a) Income statement:** Yearly average | CHF | 0.9498 | 0.9150 |
| | EUR | 0.9398 | 0.8444 |
| | GBP | 0.7997 | 0.7262 |
| **b) Balance sheet:** Exchange rate as of 31.12. | CHF | 0.9300 | 0.9150 |
| | EUR | 0.9200 | 0.8830 |
| | GBP | 0.8200 | 0.7410 |

**Accounting policies applied:**

**Cash and cash equivalents**
Cash and cash equivalents include cash on hand, deposits held on call with banks and other short-term highly liquid investments.

**Trade receivables and other current receivables**
A receivable is recognized once the company has an unconditional right to payment. Receivables are initially recognized at the transaction value according to contractual terms and conditions. They do not carry any interest. Subsequently, receivables are measured at amortized cost, which equals their transaction value less bad debt allowances for expected credit losses. Foreign currency revaluations and impairment losses are recognized in the income statement. On derecognition, gains and losses are recognized in the income statement. Bad debt allowances are calculated based on an individual assessment of the receivables. There is no general allowance for doubtful debts recognized.

**Inventories**
Inventories are valued at the lower of cost (acquisition or manufacturing cost) and net realizable value. This position mainly comprises drillpipes, drilling mud and fuel. Over the holding period, value adjustments are made for the estimated loss in value (based on a useful life of 15 years). The current allowance amounts to 59 kUSD.

**Accrued income and prepaid expenses**
Accrued income and prepaid expenses are carried at their nominal value.

**Tangible fixed assets**
Tangible fixed assets are recorded at their historical cost, less depreciation. The historical cost includes expenses directly associated with the acquisition of the assets. Subsequent costs are added to the carrying amount of the asset or recognized as a separate asset, if it is likely that future economic benefits linked to the item will be obtained and the cost can be reliably measured. When a component accounted for as a separate asset is replaced or disposed of, its carrying amount is removed. Any other repairs and maintenance expenses are expensed in the income statement during the reporting period in which they occur.

The estimated useful life of the assets are as follows:

| Assets | Operating life | Method |
|---|---|---|
| Vessels | 10 to 20 years | 5% - 10% linear |
| Rigs | 10 to 15 years | 7% - 10% linear |
| Other equipment | 3 to 10 years | 10% - 33% linear |
| Assets under construction | Not depreciated until brought into use, yearly tested for impairment | |

Depreciation is recorded in the income statement using the straight-line method over the estimated useful lives of each component of a tangible fixed asset. At the end of each reporting period, the residual values and useful lives of the assets are reviewed and adjusted if necessary. If an asset's carrying amount exceeds its estimated recoverable amount, the carrying amount is promptly written down to the recoverable amount.

**Trade payables and other short-term liabilities**
Trade and other payables are recognized at nominal value.

**Interest-bearing liabilities**
The interest-bearing liabilities are stated at their nominal value. Costs incurred in the context of the placement of loans are capitalized in the prepaid expenses and amortized straight-line over the term. The non-current portion of interest-bearing liabilities denominated in foreign currencies is valued at the higher of the historical rate and the current exchange rate.

**Share Capital**
The share capital of Geoquip Marine Holding AG amounts to CHF 100'000 (USD 113k) and is composed of 100'000 shares each with a nominal value of CHF 1. All shares are registered and paid in full.

**Recognition of revenue**
Revenue is recognized when control of the promised goods or services is transferred to the customers, in an amount that reflects the consideration the Group expects to be entitled to in exchange for those goods or services. The Group primarily generates revenue from services.

Revenue is measured based on the consideration contractually agreed with the customer. Common considerations are fixed price, daily rates or rates per work unit (e. g. per test executed in a laboratory). The transaction price excludes amounts collected on behalf of third parties, such as value-added taxes. It is common for the Groups’s contracts with customers to include liquidated damages, weather standby fees or discounts that can either increase or decrease the transaction price, leading to the consideration to be variable. Variable considerations are generally constrained and recognized as revenue based on an estimate but only to the extent that it is highly probable that the amount will not be subject to significant reversal when the uncertainty is resolved. The Group estimates variable consideration using either the expected value method or the most likely amount method based on which method better predicts the amount of consideration to which it will be entitled.

The Group’s services are typically sold in a bundled package of services. Several of the services from together single performance obligations. The pricing of each performance obligation is performed on a stand-alone basis without any bundle discount. Control of the single performance obligations is generally transferred to the customer over time. The transfer of control over time is supported mostly by the following conditions being met:

- Clauses in the contract that allow the customer to terminate the contract, pay for costs incurred plus a reasonable profit margin and take control of any work in progress. The Group does not create an asset with an alternative use for the Group.
- For performance obligations that are satisfied over time, revenue is recognized based on the extent of progress towards completion of the performance obligation. The selection of the method to measure progress towards completion requires judgement.
- Depending on the nature of the service the Group determines progress towards completion either based on an output oriented method (e.g. based on agreed milestones or days of operation of the vessels) or based on an input oriented method (by measuring the proportion of actual cost incurred for work performed to date, compared to total estimated cost to completion). In the Group’s view this best depicts the Group's performance in transferring control of services promised to its customers.
- Payment terms for service contracts are usually based on several instalments over the duration of the contract based on pre-set contract milestones. Significant financing components are not prevalent nor material within the Group.

## 2 Details, analyses and explanations to the financial statements

| | | 31.12.2022 | 31.12.2021 |
|---|---|---|---|
| **2.1** | **Number of Full-time Positions** | **31.12.2022** | **31.12.2021** |
| | Number of Full-time Positions on Annual Average | 71 | 64 |

| | | 31.12.2022 | 31.12.2021 |
|---|---|---|---|
| **2.2** | **Scope of Consolidation** | Shares of Votes and Capital | Shares of Votes and Capital |
| | Geoquip Marine Holding AG, St. Gallen | 100.00% | 100.00% |
| | Share capital total nominal in CHF 100,000<br>Activities: Holding | | |
| | Geoquip Marine Asset AG, St. Gallen | 100.00% | 100.00% |
| | Share capital total nominal in CHF 100,000<br>Activities: Manufacturing and rental of geotechnical drilling equipment | | |
| | Geoquip Marine Operations AG, St. Gallen | 100.00% | 100.00% |
| | Share capital total nominal in CHF 100,000<br>Activities: Operating and rental of geotechnical, geophysical, geoscientific and met-ocean equipment and installations, scientific research, management of vessels | | |
| | GQM Services, Bristol, UK | 100.00% | 100.00% |
| | Share capital total nominal in GBP: 1,000<br>Activities: Engineering related scientific and technical consulting activities | | |
| | Geoquip Marine Nigeria Limited, Lagos (Nigeria) | 89.00% | 89.00% |
| | Share capital total nominal in NGN 25,000,000<br>Activities: Provision of office and commercial agency services.<br>Althought the Group owns less than 100% of the voting rights of Geoquip Marine Nigeria Ltd, management has determined that the Group controls this company. The Group has control through contractual agreements with the other shareholders, who only act on a fiduciary basis. Beneficiary of all shares is Geoquip Marine Operations AG. | | |
| | Geoquip Marine USA Inc., Delaware (USA) | 100.00% | 100.00% |
| | Share capital total nominal in USD: 10<br>Incorporated: 29.09.2020<br>Activities: Provision of office and commercial agency services. | | |
| | Geoquip Marine Taiwan Ltd | 100.00% | 100.00% |
| | Share capital total nominal in NTD: 500.000<br>Incorporated: 23.04.2021<br>Activities: Operating and rental of geotechnical, geophysical, geoscientific and met-ocean equipment and installations, scientific research, management of vessels. | | |
| | Foehn Shipping Limited | 100.00% | 100.00% |
| | Share capital total nominal in EUR: 1,000<br>Activities: Manufacturing and rental of geotechnical drilling equipment | | |
| | Chinook Shipping Limited | 100.00% | 100.00% |
| | Share capital total nominal in EUR: 1,000<br>Activities: Manufacturing and rental of geotechnical drilling equipment | | |
| | Benemare Shipping Limited | 100.00% | 0.00% |
| | Share capital total nominal in EUR: 1,000<br>Activities: Manufacturing and rental of geotechnical drilling equipment | | |
| | Renamare Shipping Limited | 100.00% | 0.00% |
| | Share capital total nominal in EUR: 1,000<br>Activities: Manufacturing and rental of geotechnical drilling equipment | | |

| | | USD<br>31.12.2022 | USD<br>31.12.2021 | CHF<br>31.12.2022 | CHF<br>31.12.2021 |
|---|---|---|---|---|---|
| **2.3** | **Long term lease contracts** | | | | |
| | Undiscounted lease commitments from rental agreements for offices in Switzerland and the UK with a non-cancellable term of more than 12 months | 1'724 | 1'692 | 1'603 | 1'548 |

| | | USD<br>31.12.2022 | USD<br>31.12.2021 | CHF<br>31.12.2022 | CHF<br>31.12.2021 |
|---|---|---|---|---|---|
| **2.4** | **Tangible fixed assets** | | | | |
| | Vessels and equipment | 92'044 | 73'881 | 85'601 | 67'601 |
| | Assets under construction | 157 | 245 | 146 | 224 |
| | **Total** | **92'201** | **74'125** | **85'747** | **67'825** |
| | Cost value | 129'203 | 105'233 | 120'159 | 96'288 |
| | Accumulated depreciation | -37'003 | -31'108 | -34'412 | -28'463 |
| | **Net book values** | **92'201** | **74'125** | **85'747** | **67'825** |
| | **Opening balance 01.01** | **74'125** | **62'399** | **67'825** | **55'036** |
| | Additions | 49'399 | 19'198 | 45'941 | 17'566 |
| | Disposals | -21'533 | 0 | -20'025 | 0 |
| | Depreciation | -9'324 | -7'472 | -8'672 | -6'837 |
| | Currency Effect | -466 | 0 | 678 | 2'059 |
| | **Closing balance 31.12** | **92'201** | **74'125** | **85'747** | **67'825** |

| | | USD<br>31.12.2022 | USD<br>31.12.2021 | CHF<br>31.12.2022 | CHF<br>31.12.2021 |
|---|---|---|---|---|---|
| **2.5** | **Liabilities to Pension Schemes / Pers. Welfare Institutions** | | | | |
| | Total Liabilities | 14 | 208 | 13 | 190 |

| | | USD<br>31.12.2022 | USD<br>31.12.2021 | CHF<br>31.12.2022 | CHF<br>31.12.2021 |
|---|---|---|---|---|---|
| **2.6** | **Amount of Assets used to secure own Liabilities and assets under reservation of ownership** | | | | |
| | Tangible Fixed Assets (ships and equipment) | 76'503 | 73'334 | 71'148 | 67'101 |
| | Bank account blocked for guarantees (financials of Geoquip Marine Operations AG) | 0 | 0 | 0 | 0 |
| | Other receivables blocked for rent deposits | 80 | 81 | 74 | 74 |
| | **Total** | **76'583** | **73'415** | **71'222** | **67'175** |

| | | USD | USD | CHF | CHF |
|---|---|---|---|---|---|
| **2.7** | **Interest bearing Loans from Third Parties & Shareholders** | **31.12.2022** | **31.12.2021** | **31.12.2022** | **31.12.2021** |
| | Loans third parties due between 1 and 5 years | 40'000 | 11'811 | 37'200 | 10'807 |
| | Loans shareholders due between 1 and 5 years | 30'623 | 34'715 | 38'479 | 31'765 |
| | Loans due between 1 and 5 years, subordinated | 10'753 | 0 | 10'000 | 0 |
| | **Total** | **81'375** | **46'526** | **85'679** | **42'571** |

The loans due to third parties comprise loans to domestic banks and non-domestic banks. Interest is charged on all loans based on the contractual terms. The financial leverage covenant has not been met at year-end FY22 due to a lower than expected EBITDA. Still, the covenant was waived, because a performance improvement plan has been discussed and agreed with lending bank.

**2.8 Contingent liabilities**

In connection with a potential sale of the company, exit bonus agreements exist for several employees and one board member, which will become effective at the time of sale or listing. Due to the non-existence of a binding past event, the requirements for the recognition of a liability are not met as at the balance sheet date and therefore represent a contingent liability. In the event of a potential sale or IPO, a payment of 0%-12% of net proceeds is due. The minimum payment will be USD 590k.

Additionally, performance guarantees to customers for USD 545k are outstanding for two on-going projects.

| | | USD | USD | CHF | CHF |
|---|---|---|---|---|---|
| **2.9** | **Reconciliation of Shareholder's Equity** | **31.12.2022** | **31.12.2021** | **31.12.2022** | **31.12.2021** |
| | **Equity opening balance 01.01** | **28'243** | **17'254** | **25'843** | **15'218** |
| | Profit of the year | -15'981 | 10'972 | -15'178 | 10'040 |
| | Change of Translation differences | 0 | 17 | 713 | 585 |
| | **Equity closing balance 31.12** | **12'262** | **28'243** | **11'378** | **25'843** |

| | | USD | USD | CHF | CHF |
|---|---|---|---|---|---|
| **2.10** | **Project expenses** | **31.12.2022** | **31.12.2021** | **31.12.2022** | **31.12.2021** |
| | Material, rental and other project related expenses | 53'472 | 41'873 | 50'785 | 38'314 |
| | Subcontracted staff cost | 18'468 | 17'649 | 17'540 | 16'149 |
| | **Total** | **71'940** | **59'522** | **68'325** | **54'463** |

**2.11 Explanation of Exceptional, Non-recurring or Prior-period Expenses**

This income statement line item includes expenses and income that are either not related to the current course of business or are non-recurring. The breakdown is presented as follows:

| | USD | USD | CHF | CHF |
|---|---|---|---|---|
| **Exceptional, Non-recurring or Prior-period Expenses** | **31.12.2022** | **31.12.2021** | **31.12.2022** | **31.12.2021** |
| Legal Fees | 246 | 253 | 229 | 232 |
| Transaction advisory | 375 | 1'356 | 355 | 1'240 |
| Financing advisory | 518 | 429 | 490 | 392 |
| Incorporation setup expenses | 34 | 407 | 32 | 372 |
| Personnel legal case | 649 | 0 | 603 | 0 |
| Consolidated profit/loss brought forward adjustments | -170 | 0 | -161 | 0 |
| Subordination from IC loan to Geoquip Marine Operations AG | 13'474 | 0 | 12'797 | 0 |
| **Total** | **15'125** | **2'445** | **14'345** | **2'237** |

| | | USD | USD | CHF | CHF |
|---|---|---|---|---|---|
| **2.12** | **Direct Taxes** | **31.12.2022** | **31.12.2021** | **31.12.2022** | **31.12.2021** |
| | Direct income taxes | 186 | 1'564 | 177 | 1'431 |
| | Withholding taxes abroad | 2 | 5 | 2 | 4 |
| | **Total** | **188** | **1'569** | **178** | **1'435** |

In certain countries, a withholding tax is charged on the income generated. As these taxes represent a definitive tax for Geoquip Marine Group, they are directly expensed and presented in tax expenses.

**2.13 Assessment of overdue trade receivables**

As of 31 December 2022, Geoquip Marine Operations AG has USD 2.1m in outstanding receivables from five customers (compared to USD 3.3m in the previous year). These receivables are overdue and remain unpaid until the approval of the financial statements by the Board of Directors. We anticipate that payment will be received shortly. Consequently, the valuation of these receivables is deemed appropriate, and therefore no provision has been recorded.

**2.14 Bad-Debt Provision**

As of 31 December 2022, Geoquip Marine Operations AG initiated legal action against a customer who had an outstanding balance of USD 2.3m in 2021. Both Group Management and the involved lawyers assessed a high probability of success, expecting the court to acknowledge the validity of the claims made. During 2022, the customer made a payment of USD 0.6m, but the remaining balance is subject to dispute. Considering the uncertainty surrounding the collection, Group Management made the decision to fully write off the outstanding amount of USD 1.7m as of 31 December 2022.

**2.15 Events after the balance sheet date**

The financial statements were released by the Board of Directors of Geoquip Marine Holding AG on 29th of June 2023 for approval to the Annual General Meeting on 30th of June 2023.

Following the close of FY2022, in relation to the legal proceedings against a specific customer (refer to note 2.14), Geoquip Marine Operations AG was granted a favorable judgment in April 2023. The judgment awarded was USD 2.6m, which encompasses the disputed outstanding amount, interest fees, and court costs. The outstanding amount has been paid in June 2023. Interest and court costs to follow. As a result, the bad provision write-off of USD 1.7m recorded in FY2022 is expected to be offset by an extraordinary income of USD 2.6m in FY2023. However, in the financial statements 2022 the bad provision write-off of USD 1.7m remains for other uncertainties.

# BOND TERMS

# FOR

# GQM Services Ltd 9.25% senior secured EUR 200,000,000 bonds 2025/2029

# ISIN NO0013511121

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| **BOND TERMS between** | |
|---|---|
| ISSUER: | GQM Services Ltd, a company existing under the laws of England and Wales with registration number 11600693 and LEI-code 98450010E2BCC5B78608; and |
| BOND TRUSTEE: | Nordic Trustee AS, a company existing under the laws of Norway with registration number 963 342 624 and LEI-code 549300XAKTM2BMKIPT85. |
| DATED: | 28 March 2025 |
| These Bond Terms shall remain in effect for so long as any Bonds remain outstanding. | |

## 1. INTERPRETATION

### 1.1 Definitions

The following terms will have the following meanings:

"**Additional Bonds**" means the debt instruments issued under a Tap Issue, including any Temporary Bonds.

"**Affiliate**" means, in relation to any person:

(a) any person which is a Subsidiary of that person;

(b) any person with Decisive Influence over that person (directly or indirectly); and

(c) any person which is a Subsidiary of an entity with Decisive Influence over that person (directly or indirectly).

"**Agreed Security Principles**" means the agreed security principles set out in Attachment 3 (*Agreed Security Principles*) hereto.

"**Annual Financial Statements**" means (a) the audited consolidated annual financial statements of the Parent for any financial year, prepared in accordance with IFRS and (b) the unaudited consolidated annual financial statements of the Parent for any financial year, prepared in accordance with Swiss GAAP, such financial statements to include a profit and loss account, balance sheet, cash flow statement and report of the board of directors.

"**Approved Broker**" means each of Arctic Shipping, Clarksons, Fearnleys, Pareto Shipbrokers and any other broker approved by the Bond Trustee, in its sole discretion.

"**Approved Classification Society**" means (a) a reputable classification society that is a member of the International Association of Classification Societies, and (b) any other classification society reasonably acceptable to the Bond Trustee.

"**Approved Flag State**" means each of Bahamas, Cyprus, any EU member state, Marshall Islands, Portugal (including the Madeira International Shipping Register), Vanuatu and any other jurisdiction approved by the Bond Trustee, in its sole discretion.

"**Approved Jurisdiction**" means each of Cyprus, Delaware, England and Wales, any EU member state, Marshall Islands, Norway, Switzerland and any other jurisdiction approved by the Bond Trustee, in its sole discretion.

"**Asset Owner**" means each of:

(a) Benemare Shipping Company Limited, a limited liability company incorporated in Cyprus with registration number HE 433246, being the owner of Geoquip Elena and GMR300;

(b) Chinook Shipping Limited, a limited liability company incorporated in Cyprus with registration number HE 419008 being the owner of GMTR120;

(c) Foehn Shipping Limited, a limited liability company incorporated in Cyprus with registration number HE 419012, being the owner of Geoquip Seehorn and GMR602;

(d) Patarone Shipping Company Limited, a limited liability company incorporated in Cyprus with registration number HE 459068, being the owner of Geoquip Silvretta and GMTR150;

(e) Renamare Shipping Company Limited, a limited liability company incorporated in Cyprus with registration number HE 433663, being the owner of Geoquip Saentis and GMR600;

(f) Savario Shipping Company Limited, a limited liability company incorporated in Cyprus with registration number HE 456288, being the owner of Geoquip Speer; and

(g) Vetoro Shipping Company Limited, a limited liability company incorporated in Cyprus with registration number HE 469730, being the owner of GMTR302,

and any other Group Company from time to time being an owner of a Collateral Vessel or a Geotechnical Rig.

"**Attachment**" means any schedule, appendix or other attachment to these Bond Terms.

"**Bond Currency**" means the currency in which the Bonds are denominated, as set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

"**Bond Terms**" means these terms and conditions, including all Attachments which form an integrated part of these Bond Terms, in each case as amended and/or supplemented from time to time.

"**Bond Trustee**" means the company designated as such in the preamble to these Bond Terms, or any successor, acting for and on behalf of the Bondholders in accordance with these Bond Terms.

"**Bond Trustee Fee Agreement**" means the agreement entered into between the Issuer and the Bond Trustee relating, among other things, to the fees to be paid by the Issuer to the Bond Trustee for the services provided by the Bond Trustee relating to the Bonds.

"**Bondholder**" means a person who is registered in the CSD as directly registered owner or nominee holder of a Bond, subject however to Clause 3.3 (*Bondholders' rights*).

"**Bondholders' Meeting**" means a meeting of Bondholders as set out in Clause 15 (*Bondholders' Decisions*).

"**Bonds**" means (a) the debt instruments issued by the Issuer pursuant to these Bond Terms, including any Additional Bonds, and (b) any overdue and unpaid principal which has been issued under a separate ISIN in accordance with the regulations of the CSD from time to time.

"**Business Day**" means a day on which both the relevant CSD settlement system is open and which is a TARGET Day.

"**Business Day Convention**" means that if the last day of any Interest Period originally falls on a day that is not a Business Day, no adjustment will be made to the Interest Period.

"**Call Option**" has the meaning ascribed to such term in Clause 10.2 (*Voluntary early redemption – Call Option*).

"**Call Option Repayment Date**" means the settlement date for the Call Option determined by the Issuer pursuant to Clause 10.2 (*Voluntary early redemption – Call Option*), paragraph (d) of Clause 10.3 (*Mandatory repurchase due to a Change of Control Event*), Clause 10.6 (*Special Redemption – Change of Control Event*) or a date agreed upon between the Bond Trustee and the Issuer in connection with such redemption of Bonds.

"**Cash and Cash Equivalents**" means, at any date, the aggregate amount of freely available cash and cash equivalents of the Group, over which there is no Security except for Transaction Security, in each case reported in accordance with Swiss GAAP, including without limitation:

(a) cash in hand or on freely available deposit with any bank or financial institution; and

(b) certificates of deposit or marketable debt securities (including money market funds) with a maturity of 12 months or less after the relevant date of calculation, issued by an arranger or a financial institution which has a rating for its long term unsecured and non-credit enhanced debt obligations of A or higher from Standard & Poor's Rating Services or Fitch Ratings Ltd or A2 or higher from Moody's Investor Services Limited or a comparable rating from an internationally recognised credit rating agency.

"**Chairperson**" has the meaning ascribed to such term in Clause 15.2 (*Procedure for arranging a Bondholders' Meeting*).

"**Change of Control Event**" means an event where:

(a) any person or group of persons acting in concert, other than the Sponsor or any Permitted Transferee, gains Decisive Influence over the Parent; or

(b) the Sponsor or any Permitted Transferee cease to own more than 50.00 per cent. of the shares and voting rights in the Parent.

"**Charter Company**" means Geoquip Marine Operations AG, a limited liability company incorporated in Switzerland and which is registered with the commercial register in the canton of St. Gallen with registration number CHE-405.001.500, and any other Group Company from time to time chartering any of the Collateral Vessels.

"**Closing Procedure**" means a closing procedure agreed between the Bond Trustee and the Issuer pursuant to which certain conditions precedent that are to be delivered prior to or in connection with Disbursement are delivered as conditions subsequent, provided that perfection of the Transaction Security (except for the Escrow Account Pledge) shall take place as soon as practicable in accordance with the terms of such closing procedure on or immediately after Disbursement or at such times as otherwise set out herein, including to allow for certain matters to be handled post-Disbursement, as customary or required for practical reasons.

"**Collateral Vessel**" means each of:

(a) Geoquip Elena;

(b) Geoquip Saentis;

(c) Geoquip Silvretta;

(d) Geoquip Seehorn; and

(e) Geoquip Speer,

and any other vessel owned by a Group Company from time to time, other than a Newbuild.

"**Compliance Certificate**" means a statement substantially in the form as set out in Attachment 1 (*Compliance Certificate*) hereto.

"**Credit Facility**" means one or more credit facilities made available to the Issuer or any Guarantor by a bank or financial institution in the form of any revolving credit, working capital, overdraft, guarantee, performance bond or documentary or stand-by letter of credit facilities, the principal amount of which may not at any time exceed the higher of (a) USD 20,000,000 (or its equivalent in other currencies) and (b) 0.5x EBITDA (based on the most recently delivered Compliance Certificate at the time of incurrence), in each case in aggregate for the Group.

"**CSD**" means the central securities depository in which the Bonds are registered, being Verdipapirsentralen ASA (also known as Euronext Securities Oslo).

"**Cure Amount**" has the meaning ascribed to that term in paragraph (b) of Clause 13.23 (*Financial covenants*).

"**Decisive Influence**" means a person having, as a result of an agreement or through the ownership of shares or interests in another person (directly or indirectly):

(a) a majority of the voting rights in that other person; or

(b) a right to elect or remove a majority of the members of the board of directors of that other person.

"**Default Notice**" has the meaning ascribed to such term in Clause 14.2 (*Acceleration of the Bonds*).

"**Default Repayment Date**" means the settlement date set out by the Bond Trustee in a Default Notice requesting early redemption of the Bonds.

"**Defeasance Amount**" has the meaning ascribed to such term in Clause 18.4 (*Defeasance*).

"**Defeasance Account**" has the meaning ascribed to such term in Clause 18.4 (*Defeasance*).

"**Defeasance Pledge**" has the meaning ascribed to such term in Clause 18.4 (*Defeasance*).

"**Disbursement**" means the disbursement of the Net Proceeds from the Escrow Account to the Issuer as set out in paragraph (b) of Clause 6.1 (*Conditions precedent for Disbursement*).

"**Disposal or Total Loss Repayment Date**" means the settlement date for the mandatory redemption of Bonds pursuant to Clause 10.7 (*Mandatory early redemption – Total Loss*) or paragraph (c)(ii)(B) of Clause 13.10 (*Disposals*).

"**Distribution**" means, in respect of an entity, (a) any declaration, making or payment of any dividend or other distribution on or in respect of any of its shares, (b) any redemption, repurchase, defeasance, retirement or repayment of its share capital and (c) any prepayment or repayment of any Subordinated Loan or any payment of any interest, fee, charge or premium accrued in respect thereof (other than through adding such amounts to the principal amount).

"**DOC**" means a valid document of compliance issued for a Collateral Vessel under the ISM Code.

"**Earnings**" means all moneys whatsoever which are now, or later become, payable (actually or contingently) and which arise out of the use of or operation of a Collateral Vessel, including (but not limited to):

(a) all freight, hire and passage moneys payable to a Group Company, including (without limitation) payments of any nature under any charter or agreement for the employment, use, possession, or operation of a Collateral Vessel;

(b) any claim under any guarantees related to freight and hire payable to a Group Company as a consequence of the operation of a Collateral Vessel;

(c) compensation payable to a Group Company in the event of any requisition of a Collateral Vessel or for the use of a Collateral Vessel by any government authority or other competent authority;

(d) remuneration for salvage, towage and other services performed by a Collateral Vessel payable to a Group Company;

(e) demurrage, detention and retention money receivable by a Group Company in relation to a Collateral Vessel;

(f) all moneys which are at any time payable to a Group Company under the Insurances in respect of loss of earnings or otherwise;

(g) all present and future moneys and claims payable to a Group Company in respect of any breach or variation of any charterparty or contract of affreightment in respect of a Collateral Vessel;

(h) if and whenever a Collateral Vessel is employed on terms whereby any moneys falling within paragraphs (a) to (g) above are pooled or shared with any other person (always subject to the consent of the Bond Trustee), that proportion of the net receipts of the relevant pooling or sharing arrangement which is attributable to the Collateral Vessel; and

(i) any other money whatsoever due or to become due to a Group Company from third parties in relation to a Collateral Vessel, or otherwise.

"**Earnings Account**" means a bank account of any Group Company into which Earnings are paid, pledged on a first priority basis in favour of the Security Agent (on behalf of the Secured Parties).

"**EBITDA**" means, in respect of any Relevant Period, the consolidated operating profit of the Group according to the latest Financial Report(s) prepared in accordance with Swiss GAAP:

(a) before deducting any amount of tax on profits, gains or income paid or payable by any Group Company;

(b) before deducting any interest, commission, fees, discounts, prepayment fees, premiums or charges and other finance payments whether paid, payable or capitalised by any Group Company (calculated on a consolidated basis);

(c) not including any interest receivable or accruing in favour of any Group Company;

(d) excluding any transaction costs related to the issue of the Bonds;

(e) excluding any items (positive or negative) of a one off, non-recurring, extraordinary, unusual or exceptional nature not exceeding 10.00 per cent. of EBITDA for any Relevant Period;

(f) before taking into account any unrealised gains or losses on any derivative instrument (other than any derivative instruments which are accounted for on a hedge accounting basis);

(g) excluding the charge to profit represented by the expensing of stock options and costs and provisions relating to share incentive schemes of the Group or other long-term management incentive programs;

(h) after adding back or deducting, as the case may be, the amount of any loss or gain against book value arising on a disposal of any asset (other than in the ordinary course of trading) and any loss or gain arising from an upward or downward revaluation of any asset;

(i) after deducting the amount of any profit (or adding back the amount of any loss) of any Group Company which is attributable to minority interests;

(j) after adding or deducting, as the case may be, the Group's share of the profits or losses of entities which are not part of the Group;

(k) after adding back any losses to the extent covered by any insurance; and

(l) after adding back any amount attributable to the amortisation, depreciation or depletion of assets of Group Companies.

"**Escrow Account**" means an account with a bank acceptable to the Bond Trustee in the name of the Issuer, pledged on first priority as security for the Issuer's obligations under the Finance Documents and restricted so that the Issuer shall not have access to it.

"**Escrow Account Pledge**" means the first priority pledge over the Escrow Account, where the bank operating the account has waived any set-off rights.

"**Event of Default**" means any of the events or circumstances specified in Clause 14.1 (*Events of Default*).

"**Exchange**" means:

(a) Oslo Børs (the Oslo Stock Exchange); or

(b) any regulated market as such term is understood in accordance with the Markets in Financial Instruments Directive 2014/65/EU (MiFID II) and Regulation (EU) No. 600/2014 on markets in financial instruments (MiFIR).

"**Existing Debt**" means debt incurred under the USD 60,000,000 revolving facility agreement originally dated 5 July 2022 (as later amended and/or amended and restated) and entered into between, among others, the Parent as borrower and National Westminster Bank Plc as agent.

"**Finance Documents**" means these Bond Terms, the Bond Trustee Fee Agreement, each Guarantee, the Intercreditor Agreement, any Tap Issue Addendum, any Transaction Security Document, any Security Agent Agreement, and any other document designated by the Issuer and the Bond Trustee as a Finance Document.

"**Finance Lease**" means any lease or hire purchase contract, a liability under which would, in accordance with Swiss GAAP, be treated as a balance sheet liability.

"**Financial Indebtedness**" means any indebtedness for or in respect of:

(a) moneys borrowed (and debit balances at banks or other financial institutions);

(b) any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent;

(c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument, including the Bonds;

(d) the amount of any liability in respect of any Finance Lease;

(e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis provided that the requirements for de-recognition under Swiss GAAP are met);

(f) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price and, when calculating the value of any derivative transaction, only the marked to market value (or, if any actual amount is due as a result of the termination or close-out of that derivative transaction, that amount shall be taken into account);

(g) any counter-indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution in respect of an underlying liability of a person which is not a Group Company which liability would fall within one of the other paragraphs of this definition;

(h) any amount raised by the issue of redeemable shares which are redeemable (other than at the option of the issuer) before the Maturity Date or are otherwise classified as borrowings under Swiss GAAP;

(i) any amount of any liability under an advance or deferred purchase agreement, if (i) the primary reason behind entering into the agreement is to raise finance or (ii) the agreement is in respect of the supply of assets or services and payment is due more than 120 calendar days after the date of supply;

(j) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing or otherwise being classified as a borrowing under Swiss GAAP; and

(k) without double counting, the amount of any liability in respect of any guarantee for any of the items referred to in paragraphs (a) to (j) above.

"**Financial Reports**" means the Annual Financial Statements and the Interim Accounts.

"**First Call Date**" means the Interest Payment Date in April 2027.

"**First Call Price**" means the price set out in paragraph (a)(ii) of Clause 10.2 (*Voluntary early redemption – Call Option*).

"**Geoquip Elena**" means the integrated geotechnical survey vessel "*Geoquip Elena*" with IMO number 9249439.

"**Geoquip Saentis**" means the integrated geotechnical survey vessel "*Geoquip Saentis*" with IMO number 9282132.

"**Geoquip Seehorn**" means the integrated geotechnical survey vessel "*Geoquip Seehorn*" with IMO number 8406470.

"**Geoquip Silvretta**" means the integrated geotechnical survey vessel "*Geoquip Silvretta*" with IMO number 9343766.

"**Geoquip Speer**" means the integrated geotechnical survey vessel "*Geoquip Speer*" with IMO number 9546021.

"**Geotechnical Rig**" means each of:

(a) GMR300;

(b) GMR600;

(c) GMR602;

(d) GMTR120;

(e) GMTR150; and

(f) GMTR302,

and any other geotechnical drilling rig owned by a Group Company from time to time.

"**GMR300**" means the offshore geotechnical drilling rig "*GMR300*".

"**GMR600**" means the offshore geotechnical drilling rig "*GMR600*".

"**GMR602**" means the offshore geotechnical drilling rig "*GMR602*".

"**GMTR120**" means the offshore geotechnical drilling rig "*GMTR120*".

"**GMTR150**" means the offshore geotechnical drilling rig "*GMTR150*".

"**GMTR302**" means the offshore geotechnical drilling rig "*GMTR302*".

"**Gross Interest Bearing Debt**" means the aggregate interest bearing Financial Indebtedness of the Group (including, in the case of any Finance Leases, their capitalised value, and excluding any obligations in respect of Subordinated Loans, any interest bearing debt borrowed from any Group Company, and any Bonds owned by the Issuer).

"**Group**" means the Parent and its Subsidiaries from time to time.

"**Group Company**" means any person which is a member of the Group.

"**Guarantee**" means the unconditional Norwegian law guarantee and indemnity (No. *selvskyldnerkausjon*) issued by each of the Guarantors in respect of the Secured Obligations.

"**Guarantor**" means the Parent, each Asset Owner, each Charter Company, any Vessel Manager that is a Group Company and any Material Group Company (other than (a) any Newbuild SPV in respect of a Newbuild and (b) any Group Company leasing in a vessel as contemplated by Clause 13.20 (*Leasing of vessels*)).

"**IFRS**" means the International Financial Reporting Standards and guidelines and interpretations issued by the International Accounting Standards Board (or any predecessor and successor thereof) in force from time to time and to the extent applicable to the relevant financial statement.

"**Incurrence Test**" means the incurrence test set out in paragraph (c) of Clause 13.23 (*Financial covenants*).

"**Initial Bond Issue**" means the amount to be issued on the Issue Date as set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

"**Initial Nominal Amount**" means the Nominal Amount of each Bond on the Issue Date as set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

"**Insolvent**" means that a person:

(a) is unable or admits inability to pay its debts as they fall due;

(b) suspends making payments on any of its debts generally; or

(c) is otherwise considered insolvent or bankrupt within the meaning of the relevant bankruptcy legislation of the jurisdiction which can be regarded as its centre of main interest as such term is understood pursuant to Regulation (EU) 2015/848 on insolvency proceedings (as amended from time to time).

"**Insurances**" means all policies and contracts of insurance (including all entries in protection and indemnity or war risks associations) which are from time to time taken out or entered into in respect of or in connection with a Collateral Vessel in accordance with paragraph (f) (*Insurances*) of Clause 13.22 (*Collateral Vessel and Geotechnical Rig undertakings*) and (where the context permits) all benefits thereof, including all claims of any nature, proceeds thereof and returns of premium.

"**Intercompany Loans**" means any loan, credit or other intercompany balance owing by any Obligor to any other Group Company (other than any such claims arising by way of operation of cash pool and/or cash management arrangements where neither such Obligor nor such other Group Company is the Parent), which is unsecured and subordinated to the Secured Obligations pursuant to the terms of an Intercreditor Agreement.

"**Intercreditor Agreement**" means the intercreditor agreement to be made between, among others, the Parent, the Issuer and the relevant creditors of the Parent on the basis of the Intercreditor Principles.

"**Intercreditor Principles**" means the principles set out in Attachment 4 (*Intercreditor Principles*) hereto.

"**Interest Payment Date**" means the last day of each Interest Period, the first Interest Payment Date being 1 October 2025 and the last Interest Payment Date being the Maturity Date.

"**Interest Period**" means, subject to adjustment in accordance with the Business Day Convention, the period between 1 April and 1 October each year, provided however that an Interest Period shall not extend beyond the Maturity Date.

"**Interest Rate**" means 9.25 percentage points per annum.

"**Interim Accounts**" means (a) the unaudited consolidated quarterly financial statements of the Parent prepared in accordance with IFRS and (b) the unaudited consolidated quarterly financial statements of the Parent prepared in accordance with Swiss GAAP, each for the quarterly period ending on each Quarter Date in each year, and each to include a profit and loss account, balance sheet, cash flow statement and management commentary.

"**Inventory of Hazardous Materials**" means, in relation to a Collateral Vessel, a statement of compliance issued by the relevant Approved Classification Society and which includes a list of any and all materials known to be potentially hazardous utilised in the construction of the Collateral Vessel.

"**ISIN**" means International Securities Identification Number.

"**ISM Code**" means the International Management Code for Safe Operation of Ships and for Pollution Prevention, as adopted by the International Maritime Organisation (including the guidelines on its implementation), as any of the same may be amended, supplemented or replaced from time to time.

"**ISPS Code**" means the International Ship and Port Facility Security Code, as adopted by the International Maritime Organisation, as the same may be amended, supplemented or replaced from time to time.

"**ISSC**" means a valid international ship security certificate for any Collateral Vessel insured under the ISPS Code.

"**Issue Date**" means 1 April 2025.

"**Issuer**" means the company designated as such in the preamble to these Bond Terms.

"**Issuer's Bonds**" means any Bonds which are owned by the Issuer or any Affiliate of the Issuer.

"**Leverage Ratio**" means the ratio of Net Interest Bearing Debt to EBITDA, calculated in accordance paragraph (d) (*Calculations and adjustments*) of Clause 13.23 (*Financial covenants*).

"**Liquidity**" means the sum of (a) Cash and Cash Equivalents and (b) any undrawn commitments under any Credit Facility that are available for immediate drawdown.

"**Listing Failure Event**" means:

(a) that the Bonds (save for any Temporary Bonds) have not been admitted to listing on Nordic ABM or an Exchange within six months following the Issue Date;

(b) that the Bonds (save for any Temporary Bonds) have not been admitted to listing on an Exchange within 12 months following the Issue Date;

(c) in the case of a successful admission to listing of the Bonds on an Exchange, that a period of six months has elapsed since the Bonds ceased to be admitted to listing on an Exchange; or

(d) that any Temporary Bonds have not been admitted to listing on the Exchange where the other Bonds are listed within the later of (i) 12 months of the Issue Date and (ii) six months following the issue date for such Temporary Bonds.

"**Longstop Date**" means 30 June 2025 or such earlier date determined by the Issuer in its discretion.

"**Make Whole Amount**" means an amount equal to the sum of the present value on the Repayment Date of:

(a) the Nominal Amount of the redeemed Bonds at the First Call Price as if such payment originally had taken place on the First Call Date; and

(b) the remaining interest payments on the redeemed Bonds (less any accrued and unpaid interest on the redeemed Bonds as at the Repayment Date) to the First Call Date,

where the present value in respect of both (a) and (b) above shall be calculated by using a discount rate of 2.813 per cent. per annum.

"**Managers**" means Arctic Securities AS and Pareto Securities AS as joint bookrunners.

"**Mandatory Redemption Event**" means that the conditions precedent set out in Clause 6.1 (*Conditions precedent for Disbursement*) have not been satisfied by the Longstop Date.

"**Mandatory Redemption Repayment Date**" means the settlement date for the Mandatory Redemption Event pursuant to Clause 10.5 (*Mandatory early redemption due to a Mandatory Redemption Event*).

"**Market Value**" means the fair market value of a Collateral Vessel or Geotechnical Rig, being the value (or mid value of a range, if applicable) set by one valuation provided by an Approved Broker.

"**Material Adverse Effect**" means a material adverse effect on:

(a) the ability of any Obligor to perform and comply with its obligations under any Finance Document; or

(b) the validity or enforceability of any Finance Document.

"**Material Group Company**" means any Group Company designated as a Material Group Company by the Issuer pursuant to Clause 13.19 (*Designation of Material Group Companies*).

"**Maturity Date**" means 1 April 2029, adjusted according to the Business Day Convention.

"**Maximum Issue Amount**" means the maximum amount that may be issued under these Bond Terms as set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

"**Mortgage**" means, with respect to a Collateral Vessel, a first priority mortgage over that Collateral Vessel including all relevant equipment owned by the relevant Vessel Owner and being part of that Collateral Vessel under applicable law (including any customary declaration of pledge or deed of covenants supplemental to such mortgage and to the Security created under it in favour of the Security Agent).

"**Net Interest Bearing Debt**" means at the relevant time, the aggregate amount of all obligations of the Group, determined on a consolidated basis, for and in respect of interest bearing Financial Indebtedness, but:

(a) excluding any such obligations to any other Group Company;

(b) excluding any such obligations in respect of any Subordinated Loan;

(c) excluding any Bonds held by the Group;

(d) excluding any Financial Indebtedness in respect of any derivative transaction;

(e) including, in the case of any Finance Leases, their capitalised value; and

(f) deducting the aggregate amount of Cash and Cash Equivalents,

and so that no amount shall be included or excluded more than once.

"**Net Proceeds**" means the proceeds from the issuance of the Bonds (net of legal costs, fees of the Managers and the Bond Trustee and any other agreed costs and expenses).

"**Newbuild**" means a vessel under construction or any newbuild vessel delivered to the Group and financed by a Newbuild Financing.

"**Newbuild Financing**" means, in respect of a Newbuild, any Financial Indebtedness made available to a Newbuild SPV by an export credit agency and/or reputable commercial bank, solely for the purpose of funding the construction of such Newbuild and related costs, provided that:

(a) the creditors in respect of such Financial Indebtedness shall only have recourse against such Newbuild SPV and its assets (or its shares) and shall not have recourse against any other Group Company or its assets (other than in the form of a guarantee granted by the Parent);

(b) such Financial Indebtedness has a final maturity date that occurs no earlier than six months after the Maturity Date; and

(c) the amount of such Financial Indebtedness does not exceed 80.00 per cent. of the contract value for such Newbuild.

"**Newbuild SPV**" means, in respect of a Newbuild, a single purpose Group Company established for the sole purpose of constructing, owning and/or financing that Newbuild.

"**Nominal Amount**" means the nominal value of each Bond at any time. The Nominal Amount may be amended pursuant to paragraph (j) of Clause 16.2 (*The duties and authority of the Bond Trustee*).

"**Nordic ABM**" means Nordic ABM, a self-regulated marketplace organised and operated by Oslo Børs.

"**Obligor**" means the Issuer and any Guarantor.

"**Outstanding Bonds**" means any Bonds not redeemed or otherwise discharged.

"**Overdue Amount**" means any amount required to be paid by an Obligor under the Finance Documents but not made available to the Bondholders on the relevant Payment Date or otherwise not paid on its applicable due date.

"**Ownership Interests**" means, with respect to a Collateral Vessel or Geotechnical Rig, any ownership interests in that Collateral Vessel or Geotechnical Rig, or in any Group Company directly or indirectly owning that Collateral Vessel or Geotechnical Rig.

"**Parent**" means Geoquip Marine Holding AG, a limited liability company incorporated in Switzerland and which is registered with the commercial register in the canton of St. Gallen with registration number CHE-359.468.620.

"**Partial Payment**" means a payment that is insufficient to discharge all amounts then due and payable under the Finance Documents.

"**Paying Agent**" means the legal entity appointed by the Issuer to act as its paying agent with respect to the Bonds in the CSD.

"**Payment Date**" means any Interest Payment Date or any Repayment Date.

"**Permitted Distribution**" means, provided that no Event of Default is continuing or would result from such Distribution:

(a) any Distribution made by the Parent provided that the amount of such Distribution (when aggregated with any other Distribution made by the Parent) does not exceed an amount equal to USD 12,000,000 (or its equivalent in any other currency) during the tenor of the Bonds; or

(b) any Distribution made by any Group Company other than the Parent, provided that (i) such Distribution is made to another Group Company or (ii) if made by any such Group Company that is not wholly-owned, is made *pro rata* to its shareholders on the basis of their respective ownership at such time.

"**Permitted Financial Indebtedness**" means Financial Indebtedness:

(a) incurred under the Finance Documents;

(b) arising under any Credit Facility, subject to the Intercreditor Agreement;

(c) up until Disbursement, in the form of any Existing Debt;

(d) subject to compliance with the Incurrence Test, in the form of any Newbuild Financing;

(e) arising under:

(i) any Intercompany Loan; or

(ii) any other loan or credit between Group Companies not constituting an Intercompany Loan;

(f) incurred by the Parent in the form of any Subordinated Loan;

(g) in the form of any seller's credit on normal commercial terms incurred by any Group Company in the ordinary course of trading or in the ordinary course of business, in relation to the purchase of equipment or other capital expenditure in relation to a Collateral Vessel or Geotechnical Rig;

(h) in the form of any Finance Lease:

(i) of vessels as contemplated by Clause 13.20 (*Leasing of vessels*); or

(ii) entered into in the ordinary course of business, provided that the aggregate capital value of all items so leased or hired or purchased on hire purchase does not exceed USD 5,000,000 (or its equivalent in any other currency) in aggregate for the Group at any time;

(i) arising under hedging transactions of currency or interest rate in the ordinary course of business, and not being made for investment or speculative purposes;

(j) arising in respect of any future bid-, payment-, customs-, performance and similar bonds, guarantees and letters of credit incurred by any Group Company in the ordinary course of business;

(k) the proceeds of which shall be applied towards a refinancing of the Bonds in whole or part, provided that such proceeds are held in a blocked escrow account that is not accessible to the Issuer or any other Group Company unless and until such refinancing of the Bonds (together with any accrued and unpaid interest and any other amounts payable under the Finance Documents in respect thereof) takes place in full; and

(l) not otherwise permitted by the preceding paragraphs so long as the aggregate amount of such Financial Indebtedness does not exceed USD 5,000,000 (or its equivalent in any other currency) at any time.

"**Permitted Guarantee**" means any guarantee or indemnity:

(a) granted under the Finance Documents;

(b) granted in respect of any Credit Facility, subject to the Intercreditor Agreement;

(c) up until Disbursement, granted in respect of any Existing Debt;

(d) in the form of a guarantee granted by the Parent in respect of a Newbuild Financing or in accordance with Clause 13.20 (*Leasing of vessels*);

(e) granted by any Group Company in favour of or in respect of the obligations of or performance by any other Group Company;

(f) constituting Permitted Financial Indebtedness;

(g) in favour of or in respect of the obligations of third parties in the ordinary course of trading and operation of a Collateral Vessel or Geotechnical Rig including pursuant to contractual obligations; and

(h) not otherwise permitted by the preceding paragraphs so long as the aggregate amount of the guaranteed liabilities does not exceed USD 5,000,000 (or its equivalent in any other currency) at any time.

"**Permitted Loan**" means:

(a) any trade credit extended by any Group Company on normal commercial terms and in the ordinary course of trading;

(b) arising out of any Intercompany Loan or other loan or credit between Group Companies;

(c) constituting Permitted Financial Indebtedness; and

(d) any loan not otherwise permitted by the preceding paragraphs so long as the aggregate amount of such loans does not exceed USD 5,000,000 (or its equivalent in any other currency) at any time.

"**Permitted Security**" means any Security:

(a) created under the Transaction Security Documents or otherwise created under the Finance Documents;

(b) granted in respect of any Credit Facility, subject to the Intercreditor Agreement;

(c) up until Disbursement, granted in respect of any Existing Debt;

(d) created in respect of any Newbuild Financing and granted over the shares in or assets of the Newbuild SPV to which such Newbuild Financing relates;

(e) created over intra-group balances arising as a result of the operation of cash pool and/or cash management arrangements granted to the provider of such arrangements (provided that such arrangements exclude the Parent);

(f) in the form of rental deposits on normal commercial terms in respect of any lease of real property entered into by any Group Company arising by operation of law or in the ordinary course of trading;

(g) in the form of any netting or set-off arrangement entered into by any Group Company for the purpose of netting debit and credit balances of Group Companies in the ordinary course of its banking arrangements;

(h) arising as a consequence of any Finance Lease permitted pursuant to paragraph (h) of the definition of "Permitted Financial Indebtedness";

(i) arising under any retention of title, hire purchase or conditional sale arrangement or arrangements having a similar effect in respect of goods supplied to a Group Company in the ordinary course of trading and on the supplier's standard or usual terms and not arising as a result of any default or omission by any Group Company;

(j) in the form of any cash collateral granted, on normal commercial terms and subject to customary limitations, as security for any hedging or other derivative transaction or for bank guarantees or letters of credit;

(k) in the form of a pledge over an escrow account (or similar escrow arrangement) created in respect of a refinancing in whole or part of the Bonds as described in paragraph (k) of the definition of "Permitted Financial Indebtedness";

(l) without prejudice to paragraph (k) (*Arrest*) of Clause 13.22 (*Collateral Vessel and Geotechnical Rig undertakings*), arising pursuant to an order of attachment or injunction restraining disposal of assets or similar legal process arising in connection with court proceedings which are contested by any Group Company in good faith by appropriate proceedings, provided that such Security is discharged within 45 days;

(m) arising by operation of law in the ordinary course of business; and

(n) not otherwise permitted by the preceding paragraphs and over assets not subject to or contemplated to be subject to the Transaction Security, so long as the aggregate amount secured by such Security does not exceed USD 5,000,000 (or its equivalent in any other currency) at any time.

"**Permitted Transferee**" means any person (or group of persons acting in concert) that has been pre-approved by a simple majority (more than 50.00 per cent.) of Bondholders attending a quorate Bondholders' Meeting or responding to a Written Resolution.

"**Post-Disbursement Security**" means the Transaction Security set out in paragraph (a)(vi) to (a)(xv) of Clause 2.5 (*Transaction Security*).

"**Pre-Disbursement Security**" means the Transaction Security set out in paragraph (a)(ii) to (a)(v) of Clause 2.5 (*Transaction Security*).

"**Put Option**" has the meaning ascribed to such term in Clause 10.3 (*Mandatory repurchase due to a Change of Control Event*).

"**Put Option Repayment Date**" means the settlement date for the Put Option pursuant to Clause 10.3 (*Mandatory repurchase due to a Change of Control Event*).

"**Quarter Date**" means each 31 March, 30 June, 30 September and 31 December in each calendar year.

"**Quiet Enjoyment Letter**" means, in relation to a Collateral Vessel or Geotechnical Rig, any quiet enjoyment letter, mortgagee's undertaking or similar arrangement to be entered into by the Security Agent (on behalf on the Secured Parties) and the relevant charterer or vessel contract counterparty, which provides that the Security Agent shall not interfere with the free and undisturbed use by the relevant end-user of that Collateral Vessel or Geotechnical Rig and not exercise any rights as mortgagee under the relevant Mortgage, provided that (to the extent possible to include such proviso following reasonable commercial efforts having been made) the relevant end-user is not in material breach of any of its payment obligations under the relevant charter or vessel contract, and otherwise on such customary terms as acceptable to the Bond Trustee.

"**Relevant Jurisdiction**" means the country in which the Bonds are issued, being Norway.

"**Relevant Period**" means each period of 12 consecutive calendar months ending on the last date of the period covered by the most recent Financial Report.

"**Relevant Record Date**" means the date on which a Bondholder's ownership of Bonds shall be recorded in the CSD as follows:

(a) in relation to payments pursuant to these Bond Terms, the date designated as the Relevant Record Date in accordance with the rules of the CSD from time to time; or

(b) for the purpose of casting a vote with regard to Clause 15 (*Bondholders' Decisions*), the date falling on the immediately preceding Business Day to the date of that Bondholders' decision being made, or another date as accepted by the Bond Trustee.

"**Repayment Date**" means any Call Option Repayment Date, the Default Repayment Date, any Put Option Repayment Date, the Tax Event Repayment Date, any Disposal or Total Loss Redemption Date, the Mandatory Redemption Repayment Date or the Maturity Date.

"**Representative**" has the meaning ascribed to such term in Clause 15.2 (*Procedure for arranging a Bondholders' Meeting*).

"**Restricted Disposal**" has the meaning ascribed to such term in Clause 13.10 (*Disposals*).

"**Secured Obligations**" has the meaning given to that term in the Intercreditor Principles.

"**Secured Parties**" has the meaning given to that term in the Intercreditor Principles (which shall include the creditors under any Credit Facility, the Bond Trustee, the Bondholders and the Security Agent).

"**Securities Trading Act**" means the Securities Trading Act of 2007 no.75 of the Relevant Jurisdiction.

"**Security**" means a mortgage, charge, pledge, lien, security assignment or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

"**Security Agent**" means the Bond Trustee or any successor Security Agent, acting for and on behalf of the Secured Parties in accordance with any Security Agent Agreement or any other Finance Document.

"**Security Agent Agreement**" means any agreement other than these Bond Terms whereby the Security Agent is appointed to act as such in the interest of the Bond Trustee (on behalf of itself and the Bondholders).

"**Security Provider**" means any person granting Transaction Security.

"**SMC**" means a valid safety management certificate issued for a Collateral Vessel under paragraph 13.7 of the ISM Code.

"**Special Redemption**" has the meaning ascribed to such term in Clause 10.6 (*Special Redemption - Change of Control Event*).

"**Sponsor**" means Njord Partners LLP and any investment funds controlled, managed or advised by it.

"**Subordinated Loan**" means any loan granted to the Parent by any of its direct shareholders, provided that such loan: (a) is unsecured and subordinated to the Secured Obligations pursuant to the terms of an Intercreditor Agreement; (b) has a final maturity date (and, if applicable, instalment dates or early redemption dates) that occur no earlier than six months after the Maturity Date; and (c) receives no cash pay interest while any Secured Obligations remain outstanding.

"**Subsidiary**" means a person over which another person has Decisive Influence.

"**Summons**" means the call for a Bondholders' Meeting or a Written Resolution as the case may be.

"**Swiss GAAP**" means generally accepted accounting practices and principles in the country in which the Parent is incorporated, being the Swiss Code of Obligations (art. 957 – 963b) and including, if applicable, IFRS.

"**Tap Issue**" has the meaning ascribed to such term in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

"**Tap Issue Addendum**" has the meaning ascribed to such term in Clause 2.1 (*Amount, denomination and ISIN of the Bonds)*.

"**TARGET Day**" means any day on which the Trans-European Automated Real-time Gross Settlement Express Transfer payment system is open for the settlement of payments in Euro.

"**Tax Event Repayment Date**" means the date set out in a notice from the Issuer to the Bondholders pursuant to Clause 10.4 (*Early redemption option due to a tax event*).

"**Temporary Bonds**" has the meaning ascribed to such term in Clause 2.1 (*Amount, denomination and ISIN of the Bonds)*.

"**Total Loss**" means:

(a) the actual, constructive, compromised or arranged total loss of a Collateral Vessel or Geotechnical Rig;

(b) any expropriation, confiscation, requisition or other compulsory acquisition of a Collateral Vessel or Geotechnical Rig (other than by requisition for hire), whether for full consideration, a consideration less than its proper value, a nominal consideration or without any consideration, which is effected by any government or official authority or by any person or persons claiming to be or to represent a governmental or official authority, and which shall continue for 30 days or more; and

(c) any piracy, arrest, capture, seizure or detention of a Collateral Vessel (and, if applicable, Geotechnical Rig) (including any hijacking or theft) unless the Collateral Vessel is released and restored to the Vessel Owner within 30 days after the occurrence thereof.

"**Transaction Security**" has the meaning given to that term in the Intercreditor Principles, which Security shall secure the Secured Obligations to the extent and in the manner contemplated by the Intercreditor Principles.

"**Transaction Security Documents**" means, collectively, the Escrow Account Pledge and all of the documents which shall be executed or delivered pursuant to Clause 2.5 (*Transaction Security*).

"**Vessel Manager**" means any Group Company (including a Charter Company) or any reputable third party conducting services including commercial and technical management services for any Collateral Vessel.

"**Vessel Owner**" means any Asset Owner owning a Collateral Vessel from time to time.

"**Voting Bonds**" means the Outstanding Bonds less the Issuer's Bonds.

"**Written Resolution**" means a written (or electronic) solution for a decision making among the Bondholders, as set out in Clause 15.5 (*Written Resolutions*).

### 1.2 Construction

In these Bond Terms, unless the context otherwise requires:

(a) headings are for ease of reference only;

(b) words denoting the singular number will include the plural and vice versa;

(c) references to Clauses are references to the Clauses of these Bond Terms;

(d) references to a time are references to Central European Time unless otherwise stated;

(e) references to a provision of "**law**" are a reference to that provision as amended or re-enacted, and to any regulations made by the appropriate authority pursuant to such law;

(f) references to a "**regulation**" includes any regulation, rule, official directive, request or guideline by any official body;

(g) references to a "**person**" means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, unincorporated organisation, government, or any agency or political subdivision thereof or any other entity, whether or not having a separate legal personality;

(h) references to Bonds being "**redeemed**" means that such Bonds are cancelled and discharged in the CSD in a corresponding amount, and that any amounts so redeemed may not be subsequently re-issued under these Bond Terms;

(i) references to Bonds being "**purchased**" or "**repurchased**" by the Issuer means that such Bonds may be dealt with by the Issuer as set out in Clause 11.1 (*Issuer's purchase of Bonds*);

(j) references to persons "**acting in concert**" shall be interpreted pursuant to the relevant provisions of the Securities Trading Act; and

(k) an Event of Default is "**continuing**" if it has not been remedied or waived.

## 2. THE BONDS

### 2.1 Amount, denomination and ISIN of the Bonds

(a) The Issuer has resolved to issue a series of Bonds up to EUR 200,000,000 (the "**Maximum Issue Amount**"). The Bonds may be issued on different issue dates and the Initial Bond Issue will be in the amount of EUR 100,000,000. The Issuer may, provided that the conditions set out in Clause 6.4 (*Tap Issues*) are met, on one or more occasions issue Additional Bonds (each a "**Tap Issue**") until the Nominal Amount of all Outstanding Bonds equals in aggregate the Maximum Issue Amount less the Nominal Amount of any previously redeemed Bonds. Each Tap Issue will be subject to identical terms as the Bonds issued pursuant to the Initial Bond Issue in all respects as set out in these Bond Terms, except that Additional Bonds may be issued at a different price than for the Initial Bond Issue and which may be below or above the Nominal Amount. The Bond Trustee shall prepare an addendum to these Bond Terms evidencing the terms of each Tap Issue (a "**Tap Issue Addendum**").

If the Bonds are listed on an Exchange and there is a requirement for a new prospectus in order for the Additional Bonds to be listed together with the Bonds, the Additional

Bonds may be issued under a separate ISIN (such Bonds referred to as the "**Temporary Bonds**"). Upon the approval of the prospectus, the Issuer shall (i) notify the Bond Trustee, the Exchange and the Paying Agent and (ii) ensure that the Temporary Bonds are converted into the ISIN for the Bonds.

(b) The Bonds are denominated in Euro (EUR), being the single currency of the participating member states in accordance with the legislation of the European Community relating to Economic and Monetary Union.

(c) The Initial Nominal Amount of each Bond is EUR 100,000.

(d) The ISIN of the Bonds is set out on the front page. These Bond Terms apply with identical terms and conditions to (i) all Bonds issued under this ISIN, (ii) any Temporary Bonds and (iii) any Overdue Amounts issued under one or more separate ISIN in accordance with the regulations of the CSD from time to time.

(e) Holders of Overdue Amounts related to interest claims will not have any other rights under these Bond Terms than their claim for payment of such interest claim which claim shall be subject to paragraph (b) of Clause 15.1 (*Authority of the Bondholders' Meeting*).

**2.2 Tenor of the Bonds**

The tenor of the Bonds is from and including the Issue Date to but excluding the Maturity Date.

**2.3 Use of proceeds**

(a) The Net Proceeds from the Initial Bond Issue shall exclusively be applied towards:

(i) refinancing the Existing Debt in full; and

(ii) in respect of any remainder after completion of paragraph (i) above, the general corporate purposes of the Group (including capital expenditures and acquisitions).

(b) The net proceeds from the issuance of any Additional Bonds shall be applied towards the general corporate purposes of the Group (including capital expenditures and acquisitions).

**2.4 Status of the Bonds**

(a) The Bonds shall constitute senior debt obligations of the Issuer, secured on a *pari passu* basis with the other Secured Parties in respect of the Transaction Security.

(b) The Bonds shall rank *pari passu* between themselves and at least *pari passu* with all other obligations of the Issuer other than (i) obligations which are mandatorily preferred by bankruptcy, insolvency, liquidation or other similar laws of general application and (ii) the super senior ranking of any Credit Facility to the extent and in the manner contemplated by the Intercreditor Principles.

**2.5 Transaction Security**

(a) As Security for the due and punctual fulfilment of the Secured Obligations and subject to the Agreed Security Principles, the Issuer shall procure that the following Transaction Security is granted in favour of the Security Agent on behalf of the Secured Parties (or, in respect of the Escrow Account Pledge, the Bond Trustee on behalf of the Bondholders):

*Pre-settlement Security*

(i) the Escrow Account Pledge;

*Pre-Disbursement Security*

(ii) a first priority pledge by the Parent over all of the shares in the Issuer;

(iii) a first priority pledge by the Parent over all of the shares owned by it in each Guarantor;

(iv) a first priority assignment by the Parent of any Intercompany Loan;

(v) a Guarantee from the Parent;

*Post-Disbursement Security*

(vi) a first priority pledge by each relevant Group Company (other than the Parent) over all of the shares owned by it in each Guarantor;

(vii) a first priority assignment of any Intercompany Loans;

(viii) a Mortgage over each Collateral Vessel, subject to any applicable Quiet Enjoyment Letter;

(ix) a first priority mortgage over each Geotechnical Rig (including any customary declaration of pledge or deed of covenants supplemental to such mortgage and to the Security created under it in favour of the Security Agent), subject to any applicable Quiet Enjoyment Letter;

(x) a first priority assignment of all Insurances (including subordination undertakings or assignments from any co-assured parties that are Group Companies or Affiliates thereof under such Insurances) related to each Collateral Vessel and Geotechnical Rig (to the extent payable to the Group);

(xi) a first priority assignment of the monetary claims under each bareboat charter or sub-charter contract between a Vessel Owner and the relevant Charter Company in respect of the relevant Collateral Vessel;

(xii) a first priority assignment of all Earnings payable to any Group Company (to the extent not comprised by paragraphs (x) and (xi) above) in respect of each Collateral Vessel and, with respect to any charter contract between a Charter Company and a third party charterer, provided the relevant charter contract has a firm duration of no less than 12 months and subject to any applicable consent requirements in the relevant charter contract (including, if applicable, a Quiet Enjoyment Letter);

(xiii) a first priority floating charge, debenture or similar all-asset security provided by each Obligor (as customary and legally permissible in its jurisdiction of incorporation);

(xiv) a first priority pledge over each Earnings Account; and

(xv) a Guarantee from each Guarantor (other than the Parent).

(b) Subject to any mandatory limitations under applicable law and to the Agreed Security Principles, the Issuer shall procure that new or replacement Security (as the case may be) is established over any assets acquired by, or shares issued in, any Group Company, to the extent such assets or shares would have been required to be made subject to Transaction Security pursuant to paragraph (a) above if owned or in issue immediately prior to Disbursement).

(c) The Security and Guarantees referred to in paragraphs (a) and (b) above shall be provided at the following times:

(i) the Escrow Account Pledge shall be established no later than the time set out in paragraph (a) of Clause 6.1 (*Conditions precedent for Disbursement*);

(ii) the Pre-Disbursement Security shall be established no later than at the time set out in paragraph (b) of Clause 6.1 (*Conditions precedent for Disbursement*);

(iii) the Post-Disbursement Security shall be established no later than 60 Business Days after Disbursement; and

(iv) any Security to be established over any assets acquired after the granting of the Pre-Disbursement Security or in respect of a Material Group Company designated as such after the Issue Date pursuant to Clause 13.19 (*Designation of Material Group Companies*), not later than the earlier of (A) the date falling 60 days after the acquisition of those assets or designation of that Material Group Company; and (B) the date required by the terms of any relevant Transaction Security Document to which the relevant Group Company is a party.

(d) The Transaction Security (other than the Escrow Account Pledge) shall be shared with the other Secured Parties to the extent and in the manner contemplated by the Intercreditor Principles.

(e) The Transaction Security and the Intercreditor Agreement shall be entered into on such terms and conditions as the Security Agent and the Bond Trustee in its discretion deems appropriate in order to create the intended benefit for the Secured Parties under the relevant document.

(f) Subject to the Intercreditor Agreement, the Security Agent is (in its sole discretion) entitled to release and discharge:

(i) the Escrow Account Pledge, once Disbursement has taken place;

(ii) any Transaction Security over any asset being disposed of by way of a merger, de-merger, sale or other transaction (including any change of Charter Company or Asset Owner or any other structural change in respect of the ownership or operation of any Collateral Vessel or Geotechnical Rig), provided that (A) such transaction is permitted by the terms hereof; and (B) replacement Transaction Security is (where required by the terms hereof) granted in favour of the Security Agent on behalf of the Secured Parties; and

(iii) any Guarantee or Transaction Security in connection with the enforcement of any relevant Transaction Security.

## 3. THE BONDHOLDERS

### 3.1 Bond Terms binding on all Bondholders

(a) By virtue of being registered as a Bondholder (directly or indirectly) with the CSD, the Bondholders are bound by these Bond Terms and any other Finance Document, without any further action required to be taken or formalities to be complied with by the Bond Trustee, the Bondholders, the Issuer or any other party.

(b) The Bond Trustee is always acting with binding effect on behalf of all the Bondholders.

### 3.2 Limitation of rights of action

(a) No Bondholder is entitled to take any enforcement action, instigate any insolvency procedures or take other legal action against the Issuer or any other party in relation to any of the liabilities of the Issuer or any other party under or in connection with the Finance Documents, other than through the Bond Trustee and in accordance with these Bond Terms, provided, however, that the Bondholders shall not be restricted from exercising any of their individual rights derived from these Bond Terms, including the right to exercise the Put Option.

(b) Each Bondholder shall immediately upon request by the Bond Trustee provide the Bond Trustee with any such documents, including a written power of attorney (in form and substance satisfactory to the Bond Trustee), as the Bond Trustee deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. The Bond Trustee is under no obligation to represent a Bondholder which does not comply with such request.

### 3.3 Bondholders' rights

(a) If a beneficial owner of a Bond not being registered as a Bondholder wishes to exercise any rights under the Finance Documents, it must obtain proof of ownership of the Bonds, acceptable to the Bond Trustee.

(b) A Bondholder (whether registered as such or proven to the Bond Trustee's satisfaction to be the beneficial owner of the Bond as set out in paragraph (a) above) may issue one or more powers of attorney to third parties to represent it in relation to some or all of the Bonds held or beneficially owned by such Bondholder. The Bond Trustee shall only have to examine the face of a power of attorney or similar evidence of authorisation that has been provided to it pursuant to this Clause 3.3 and may assume that it is in full force and effect, unless otherwise is apparent from its face or the Bond Trustee has actual knowledge to the contrary.

## 4. ADMISSION TO LISTING

The Issuer shall:

(a) use reasonable endeavours to ensure that the Bonds are listed on the Open Market of the Frankfurt Stock Exchange within 60 days of the Issue Date, with an intention to list within 30 days;

(b) ensure that the Bonds are listed on Nordic ABM or an Exchange within six months of the Issue Date;

(c) ensure that the Bonds are listed on an Exchange within 12 months of the Issue Date; and

(d) ensure that any Temporary Bonds are listed on the Exchange where the other Bonds are listed within the later of (i) 12 months of the Issue Date and (ii) six months of the date of issue thereof.

## 5. REGISTRATION OF THE BONDS

### 5.1 Registration in the CSD

The Bonds shall be registered in dematerialised form in the CSD according to the relevant securities registration legislation and the requirements of the CSD.

### 5.2 Obligation to ensure correct registration

The Issuer will at all times ensure that the registration of the Bonds in the CSD is correct and shall immediately upon any amendment or variation of these Bond Terms give notice to the CSD of any such amendment or variation.

### 5.3 Country of issuance

The Bonds have not been issued under any other country's legislation than that of the Relevant Jurisdiction. Save for the registration of the Bonds in the CSD, the Issuer is under no obligation to register, or cause the registration of, the Bonds in any other registry or under any other legislation than that of the Relevant Jurisdiction.

## 6. CONDITIONS FOR DISBURSEMENT

### 6.1 Conditions precedent for Disbursement

(a) Payment of the Net Proceeds to the Escrow Account shall be conditional on the Bond Trustee having received, not later than two Business Days prior to the Issue Date (or such later date as the Bond Trustee may agree) each of the following documents, in form and substance satisfactory to the Bond Trustee:

(i) these Bond Terms duly executed by all parties hereto;

(ii) copies of all necessary corporate resolutions of the Issuer to issue the Bonds and execute the Finance Documents to which it is a party;

(iii) a copy of a power of attorney (unless included in the corporate resolutions) from the Issuer to relevant individuals for their execution of the Finance Documents to which it is a party, or extracts from the relevant register or similar documentation evidencing such individuals' authorisation to execute such Finance Documents on behalf of the Issuer;

(iv) copies of the Issuer's articles of association and of a full extract from the relevant company register in respect of the Issuer evidencing that the Issuer is validly existing;

(v) the Escrow Account Pledge duly executed by all parties thereto and perfected in accordance with applicable law;

(vi) copies of the Parent's latest Financial Reports;

(vii) confirmation that the applicable prospectus requirements (ref. the EU prospectus regulation ((EU) 2017/1129)) concerning the issuance of the Bonds have been fulfilled;

(viii) copies of any necessary governmental approval, consent or waiver (as the case may be) required at such time to issue the Bonds;

(ix) confirmation that the Bonds are registered in the CSD (by obtaining an ISIN for the Bonds);

(x) confirmation of acceptance from any process agent;

(xi) copies of any written documentation used in marketing the Bonds or made public by the Issuer or any Manager in connection with the issuance of the Bonds;

(xii) the Bond Trustee Fee Agreement duly executed by all parties thereto; and

(xiii) legal opinions or other statements as may be required by the Bond Trustee (including in respect of corporate matters relating to the Issuer and the legality, validity and enforceability of these Bond Terms and the Finance Documents).

(b) The Disbursement shall be subject to receipt by the Bond Trustee, not later than at the time of Disbursement (or such later date as the Bond Trustee may agree, and subject to any Closing Procedure) each of the following documents, in form and substance satisfactory to the Bond Trustee:

(i) a duly executed release notice from the Issuer, as set out in Attachment 2 (*Release notice – Escrow Account*) hereto;

(ii) unless delivered under paragraph 6.1 above, as pre-settlement conditions precedent:

(A) copies of all necessary corporate resolutions of each Security Provider required to provide the Pre-Disbursement Security and execute the Finance Documents to which it is a party;

(B) a copy of a power of attorney (unless included in the relevant corporate resolutions) from each Security Provider to relevant individuals for their execution of the Finance Documents to which it is a party, or extracts from the relevant register or similar documentation evidencing such individuals' authorisation to execute such Finance Documents on behalf of the relevant Security Provider;

(C) copies of the articles of association and a full extract from the relevant company register in respect of each Security Provider evidencing that it is validly existing;

(iii) the Transaction Security Documents in respect of the Pre-Disbursement Transaction Security duly executed by all parties thereto and evidence of the establishment and perfection of such Transaction Security;

(iv) copies of loan agreements governing any Subordinated Loans;

(v) the Intercreditor Agreement duly executed by the relevant parties thereto;

(vi) evidence that (i) the Existing Debt together with any accrued and unpaid interest, premiums and fees will be repaid or paid (and any commitment in respect thereof will be cancelled) in full no later than upon Disbursement and (ii) any guarantee or Security in respect thereof will at the same time be released and discharged in full;

(vii) a list of the Group Companies that constitute Material Group Companies on the Issue Date, including calculations evidencing compliance with Clause 13.19 (*Designation of Material Group Companies*); and

(viii) legal opinions or other statements as may be required by the Bond Trustee, including in respect of corporate matters relating to any Group Company or any other company being a party to a Finance Document and the legality, validity and enforceability of the Finance Documents (unless delivered under paragraph (a) above as pre-settlement conditions precedent).

(c) The Bond Trustee, acting in its sole discretion, may, regarding this Clause 6.1, waive the requirements for documentation or decide that delivery of certain documents shall be made subject to a Closing Procedure.

**6.2 Disbursement of the proceeds**

The Disbursement is conditional on the Bond Trustee's confirmation to the Paying Agent that the conditions in Clause 6.1 (*Conditions precedent for Disbursement*) have been either satisfied in the Bond Trustee's discretion or waived by the Bond Trustee pursuant to paragraph (c) of Clause 6.1 (*Conditions precedent for Disbursement*).

**6.3 Post-Disbursement Conditions Subsequent**

(a) The Issuer shall deliver to the Bond Trustee, not later than at the date any Obligor, Security Provider or Material Group Company shall provide Transaction Security (as specified under Clause 2.5 (*Transaction Security*)), or, to the extent it has not already done so (but is required to), become a Guarantor pursuant the terms hereof, the following documents and evidence (in form and content satisfactory to the Bond Trustee):

(i) unless delivered under Clause 6.1 (*Conditions precedent for Disbursement*), as pre-settlement or pre-Disbursement conditions precedent:

(A) copies of all necessary corporate resolutions of each Guarantor and each Security Provider required to provide the Transaction Security and execute the Finance Documents to which it is a party;

(B) a copy of a power of attorney (unless included in the corporate resolutions) from each Guarantor and each Security Provider to relevant individuals for their execution of the Finance Documents to which it is a party, or extracts from the relevant register or similar documentation evidencing such individuals' authorisation to execute such Finance Documents on behalf of the relevant Guarantor or Security Provider; and

(C) copies of the articles of association (to the extent relevant, to include waiver of any pre-emption rights and with no requirement of consent for the purpose of pledging shares or transferring shares) and a full extract from the relevant company register in respect of each Guarantor and each Security Provider evidencing that it is validly existing;

(ii) the relevant Transaction Security Documents duly executed and perfected in accordance with applicable law;

(iii) copies of loan agreements governing any Intercompany Loans;

(iv) the Intercreditor Agreement (or evidence of accession thereto by the relevant Group Company or other company in the proper capacities) duly executed by the parties thereto;

(v) in respect of each Geotechnical Rig, evidence that Insurances have been taken out in respect of such Geotechnical Rig in accordance with paragraph (f) (*Insurances*) of Clause 13.22 (*Collateral Vessel and Geotechnical Rig undertakings*), and that the security interests of the Security Agent (on behalf of the Secured Parties) have been adequately noted by the insurers;

(vi) in respect of each Collateral Vessel:

(A) evidence that Insurances have been taken out in respect of such Collateral Vessel in accordance with paragraph (f) (*Insurances*) of Clause 13.22 (*Collateral Vessel and Geotechnical Rig undertakings*) below, and that the security interests of the Security Agent (on behalf of the Secured Parties) have been adequately noted by the insurers, together with a third party insurance report from BankServe or another reputable insurance advisor acceptable to the Bond Trustee in respect of the Insurances for such Collateral Vessel;

(B) a certificate of ownership and encumbrances, transcript of registry or similar from the relevant Approved Flag State evidencing that (1) such Collateral Vessel is duly registered in the ownership of the relevant Vessel Owner, (2) a Mortgage is duly recorded against such Collateral Vessel in favour of the Security Agent (on behalf of the Secured Parties) and (3) such Collateral Vessel is free and clear of all liens and encumbrances of record other than such Mortgage;

(C) a copy of the current:

(1) DOC;

(2) ISSC;

(3) SMC; and

(4) Inventory of Hazardous Materials,

for such Collateral Vessel (in each case, to the extent applicable);

(D) a copy of the class certificate for such Collateral Vessel from the relevant Approved Classification Society, confirming that such Collateral Vessel is in class, free of any material overdue recommendations or conditions of class;

(E) a copy of an executed management services agreement entered into between the relevant Vessel Manager and the relevant Vessel Owner relating to such Collateral Vessel;

(F) a manager's undertaking from the relevant Vessel Manager for such Collateral Vessel as contemplated by paragraph (g) (*Technical management*) of Clause 13.22 (*Collateral Vessel and Geotechnical Rig undertakings*);

(G) a copy of a bareboat charter or sub-charter contract between the relevant Vessel Owner and any relevant Charter Company in respect of such Collateral Vessel; and

(H) a copy of any charter contract between a Charter Company and a third party charterer in respect of such Collateral Vessel; and

(vii) legal opinions or other statements as may be required by the Bond Trustee (including in respect of corporate matters relating to any Security Provider or Obligor or the legality, validity and enforceability of any Finance Documents).

(b) The Bond Trustee, acting in its sole discretion, may waive the requirements for documentation or decide that delivery of certain documents shall be made subject to the Closing Procedure.

### 6.4 Tap Issues

The Issuer may issue Additional Bonds if:

(a) a Tap Issue Addendum has been duly executed by all parties thereto;

(b) the representations and warranties contained in Clause 7 (*Representations and Warranties*) of these Bond Terms are true and correct in all material respects and repeated by the Issuer as at the date of issuance of such Additional Bonds; and

(c) the Issuer meets the Incurrence Test tested *pro forma* as of immediately after the Tap Issue.

## 7. REPRESENTATIONS AND WARRANTIES

The Issuer makes the representations and warranties set out in this Clause 7 (*Representations and Warranties*), in respect of itself and in respect of each Obligor to the Bond Trustee (on behalf of the Bondholders) at the following times and with reference to the facts and circumstances then existing:

(a) on the date of these Bond Terms;

(b) on the Issue Date;

(c) on each date of disbursement of proceeds from the Escrow Account; and

(d) on the date of issuance of any Additional Bonds.

### 7.1 Status

It is a limited liability company, duly incorporated and validly existing and registered under the laws of its jurisdiction of incorporation, and has the power to own its assets and carry on its business as it is being conducted.

### 7.2 Power and authority

It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, these Bond Terms and any other Finance Document to which it is a party and the transactions contemplated by those Finance Documents.

### 7.3 Valid, binding and enforceable obligations

These Bond Terms and each other Finance Document to which it is a party constitutes (or will constitute, when executed by the respective parties thereto) its legal, valid and binding obligations, enforceable in accordance with their respective terms, and (save as provided for therein) no further registration, filing, payment of tax or fees or other formalities are necessary or desirable to render the said documents enforceable against it.

### 7.4 Non-conflict with other obligations

The entry into and performance by it of these Bond Terms and any other Finance Document to which it is a party and the transactions contemplated thereby do not and will not conflict with

(a) any law or regulation or judicial or official order; (b) its constitutional documents; or (c) any agreement or instrument which is binding upon it or any of its assets.

**7.5 No Event of Default**

(a) No Event of Default exists or is likely to result from the making of any disbursement of proceeds or the entry into, the performance of, or any transaction contemplated by, any Finance Document.

(b) No other event or circumstance has occurred which constitutes (or with the expiry of any grace period, the giving of notice, the making of any determination or any combination of any of the foregoing, would constitute) a default or termination event (howsoever described) under any other agreement or instrument which is binding on it or any of its Subsidiaries or to which its (or any of its Subsidiaries') assets are subject which has or is likely to have a Material Adverse Effect.

**7.6 Authorisations and consents**

All authorisations, consents, approvals, resolutions, licences, exemptions, filings, notarisations or registrations required:

(a) to enable it to enter into, exercise its rights and comply with its obligations under these Bond Terms or any other Finance Document to which it is a party; and

(b) to carry on its business as presently conducted and as contemplated by these Bond Terms,

have been obtained or effected and are in full force and effect.

**7.7 Litigation**

No litigation, arbitration or administrative proceedings or investigations of or before any court, arbitral body or agency which, if adversely determined, is likely to have a Material Adverse Effect have (to the best of its knowledge and belief) been started or threatened against it or any of its Subsidiaries.

**7.8 Financial Reports**

Its most recent Financial Reports fairly and accurately represent the assets and liabilities and financial condition as at their respective dates, and have been prepared in accordance with IFRS or Swiss GAAP (as applicable), consistently applied.

**7.9 No Material Adverse Effect**

Since the date of the most recent Financial Reports, there has been no change in its business, assets or financial condition that is likely to have a Material Adverse Effect.

**7.10 No misleading information**

Any factual information provided by it to the Bondholders or the Bond Trustee for the purposes of the issuance of the Bonds was true and accurate in all material respects as at the date it was provided or as at the date (if any) at which it is stated.

### 7.11 No withholdings

Subject to the Bonds being listed on Nordic ABM or an Exchange prior to the first Interest Payment Date, the Issuer is not required to make any deduction or withholding from any payment which it may become obliged to make to the Bond Trustee or the Bondholders under the Finance Documents.

### 7.12 Ranking

Its payment obligations under these Bond Terms or any other Finance Document to which it is a party rank as set out in Clause 2.4 (*Status of the Bonds*).

### 7.13 Security

No Security exists over any of the present assets of any Group Company in conflict with these Bond Terms.

## 8. PAYMENTS IN RESPECT OF THE BONDS

### 8.1 Covenant to pay

(a) The Issuer will unconditionally make available to or to the order of the Bond Trustee and/or the Paying Agent all amounts due on each Payment Date pursuant to the terms of these Bond Terms at such times and to such accounts as specified by the Bond Trustee and/or the Paying Agent in advance of each Payment Date or when other payments are due and payable pursuant to these Bond Terms.

(b) All payments to the Bondholders in relation to the Bonds shall be made to each Bondholder registered as such in the CSD on the Relevant Record Date, by, if no specific order is made by the Bond Trustee, crediting the relevant amount to the bank account nominated by such Bondholder in connection with its securities account in the CSD.

(c) Payment constituting good discharge of the Issuer's payment obligations to the Bondholders under these Bond Terms will be deemed to have been made to each Bondholder once the amount has been credited to the bank holding the bank account nominated by the Bondholder in connection with its securities account in the CSD. If the paying bank and the receiving bank are the same, payment shall be deemed to have been made once the amount has been credited to the bank account nominated by the Bondholder in question.

(d) If a Payment Date or a date for other payments to the Bondholders pursuant to the Finance Documents falls on a day on which either of the relevant CSD settlement system or the relevant currency settlement system for the Bonds are not open, the payment shall be made on the first following possible day on which both of the said systems are open, unless any provision to the contrary has been set out for such payment in the relevant Finance Document.

### 8.2 Default interest

(a) Default interest will accrue on any Overdue Amount from and including the Payment Date on which it was first due to and excluding the date on which the payment is made at the Interest Rate plus 3.00 percentage points per annum.

(b) Default interest accrued on any Overdue Amount pursuant to this Clause 8.2 will be added to the Overdue Amount on each Interest Payment Date until the Overdue Amount and default interest accrued thereon have been repaid in full.

(c) Upon the occurrence of a Listing Failure Event and for as long as such Listing Failure Event is continuing, the interest on any principal amount outstanding under these Bonds Terms will accrue at the Interest Rate plus 1.00 percentage point per annum. In the event the Listing Failure Event relates to Temporary Bonds, the Interest Rate will only be increased in respect of such Temporary Bonds.

**8.3 Partial Payments**

(a) If the Paying Agent or the Bond Trustee receives a Partial Payment, such Partial Payment shall, in respect of the Issuer's debt under the Finance Documents be considered made for discharge of the debt of the Issuer in the following order of priority:

(i) firstly, towards any outstanding fees, liabilities and expenses of the Bond Trustee (and any Security Agent);

(ii) secondly, towards accrued interest due but unpaid; and

(iii) thirdly, towards any other outstanding amounts due but unpaid under the Finance Documents.

(b) Notwithstanding paragraph (a) above, any Partial Payment which is distributed to the Bondholders, shall, after the above mentioned deduction of outstanding fees, liabilities and expenses, be applied firstly towards any principal amount due but unpaid and secondly, towards accrued interest due but unpaid, in the following situations;

(i) if the Bond Trustee has served a Default Notice in accordance with Clause 14.2 (*Acceleration of the Bonds*); or

(ii) if a resolution according to Clause 15 (*Bondholders' Decisions*) has been made.

**8.4 Taxation**

(a) Each Obligor is responsible for withholding any withholding tax imposed by applicable law on any payments to be made by it in relation to the Finance Documents.

(b) Each Obligor shall, if any tax is withheld in respect of the Bonds under the Finance Documents:

(i) gross up the amount of the payment due from it up to such amount which is necessary to ensure that the Bondholders or the Bond Trustee, as the case may be, receive a net amount which is (after making the required withholding) equal to the payment which would have been received if no withholding had been required; and

(ii) at the request of the Bond Trustee, deliver to the Bond Trustee evidence that the required tax deduction or withholding has been made.

(c) Any public fees levied on the trade of Bonds in the secondary market shall be paid by the Bondholders, unless otherwise provided by law or regulation, and the Issuer shall not be responsible for reimbursing any such fees.

(d) The Bond Trustee shall not have any responsibility to obtain information about the Bondholders relevant for the tax obligations pursuant to these Bond Terms.

**8.5 Currency**

(a) All amounts payable under the Finance Documents shall be payable in the Bond Currency. If, however, the Bond Currency differs from the currency of the bank account connected to the Bondholder's account in the CSD, any cash settlement may be exchanged and credited to this bank account.

(b) Any specific payment instructions, including foreign exchange bank account details, to be connected to the Bondholder's account in the CSD must be provided by the relevant Bondholder to the Paying Agent (either directly or through its account manager in the CSD) within five Business Days prior to a Payment Date. Depending on any currency exchange settlement agreements between each Bondholder's bank and the Paying Agent, and opening hours of the receiving bank, cash settlement may be delayed, and payment shall be deemed to have been made once the cash settlement has taken place, provided, however, that no default interest or other penalty shall accrue for the account of the Issuer for such delay.

**8.6 Set-off and counterclaims**

No Obligor may apply or perform any counterclaims or set-off against any payment obligations pursuant to these Bond Terms or any other Finance Document.

## 9. INTEREST

**9.1 Calculation of interest**

(a) Each Outstanding Bond will accrue interest at the Interest Rate on the Nominal Amount for each Interest Period, commencing on and including the first date of the Interest Period, and ending on but excluding the last date of the Interest Period.

(b) Any Additional Bond will accrue interest at the Interest Rate on the Nominal Amount commencing on the first date of the Interest Period in which the Additional Bonds are issued and thereafter in accordance with paragraph (a) above.

(c) Interest shall be calculated on the basis of a 360-day year comprised of twelve months of 30 days each (30/360-days basis), unless:

(i) the last day in the relevant Interest Period is the 31st calendar day but the first day of that Interest Period is a day other than the 30th or the 31st day of a month, in which case the month that includes that last day shall not be shortened to a 30–day month; or

(ii) the last day of the relevant Interest Period is the last calendar day in February, in which case February shall not be lengthened to a 30-day month.

**9.2 Payment of interest**

Interest shall fall due on each Interest Payment Date for the corresponding preceding Interest Period and, with respect to accrued interest on the principal amount then due and payable, on each Repayment Date.

**10. REDEMPTION AND REPURCHASE OF BONDS**

**10.1 Redemption of Bonds**

The Outstanding Bonds will mature in full on the Maturity Date and shall be redeemed by the Issuer on the Maturity Date at a price equal to 100.00 per cent. of the Nominal Amount.

**10.2 Voluntary early redemption - Call Option**

(a) The Issuer may redeem all or part of the Outstanding Bonds (the "**Call Option**") on any Business Day from and including:

(i) the Issue Date to, but not including, the First Call Date at a price equal to the Make Whole Amount;

(ii) the First Call Date to, but not including, the Interest Payment Date in October 2027 at a price equal to 104.6250 per cent. of the Nominal Amount for each redeemed Bond;

(iii) the Interest Payment Date in October 2027 to, but not including, the Interest Payment Date in April 2028 at a price equal to 103.4688 per cent. of the Nominal Amount for each redeemed Bond;

(iv) the Interest Payment Date in April 2028 to, but not including, the Interest Payment Date in October 2028 at a price equal to 102.3125 per cent. of the Nominal Amount for each redeemed Bond; and

(v) the Interest Payment Date in October 2028 to, but not including, the Maturity Date at a price equal to 100.00 per cent. of the Nominal Amount for each redeemed Bond.

(b) Any redemption of Bonds pursuant to paragraph (a) above shall be determined based upon the redemption prices applicable on the Call Option Repayment Date.

(c) The Call Option may be exercised by the Issuer by written notice to the Bond Trustee at least 10 Business Days prior to the proposed Call Option Repayment Date. Such notice sent by the Issuer is irrevocable, shall specify the Call Option Repayment Date and the aggregate Nominal Amount of the Bonds to be redeemed, and may, at the Issuer's discretion, be subject to the satisfaction of one or more conditions precedent which shall be satisfied at least three Business Days prior to the Call Option Repayment Date. Unless the Make Whole Amount is set out in the written notice where the Issuer exercises the Call Option, the Issuer shall calculate the Make Whole Amount and provide such calculation by written notice to the Bond Trustee as soon as possible and at the latest within three Business Days from the date of the notice.

(d) Any Call Option exercised in part will be used for *pro rata* payment to the Bondholders in accordance with the applicable regulations of the CSD.

**10.3 Mandatory repurchase due to a Change of Control Event**

(a) Upon the occurrence of a Change of Control Event, each Bondholder will have the right (the "**Put Option**") to require that the Issuer purchases all or some of the Bonds held by that Bondholder at a price equal to 101.00 per cent. of the Nominal Amount.

(b) The Put Option must be exercised within 15 Business Days after the Issuer has given notice to the Bond Trustee and the Bondholders that a Change of Control Event has occurred pursuant to Clause 12.3 (*Change of Control Event*). Once notified, the Bondholders' right to exercise the Put Option is irrevocable.

(c) Each Bondholder may exercise its Put Option by written notice to its account manager for the CSD, who will notify the Paying Agent of the exercise of the Put Option. The Put Option Repayment Date will be the fifth Business Day after the end of 15 Business Days exercise period referred to in paragraph (b) above. However, the settlement of the Put Option will be based on each Bondholder's holding of Bonds at the Put Option Repayment Date.

(d) If Bonds representing more than 90.00 per cent. of the Outstanding Bonds have been repurchased pursuant to this Clause 10.3, the Issuer is entitled to repurchase all the remaining Outstanding Bonds at the price stated in paragraph (a) above by notifying the remaining Bondholders of its intention to do so no later than 10 Business Days after the Put Option Repayment Date. Such notice sent by the Issuer is irrevocable and shall specify the Call Option Repayment Date.

**10.4 Early redemption option due to a tax event**

If the Issuer is or will be required to gross up any withheld tax imposed by law from any payment in respect of the Bonds under the Finance Documents pursuant to Clause 8.4 (*Taxation*) as a result of a change in applicable law implemented after the date of these Bond Terms, the Issuer will have the right to redeem all, but not only some, of the Outstanding Bonds at a price equal to 100.00 per cent. of the Nominal Amount. The Issuer shall give written notice of such redemption to the Bond Trustee and the Bondholders at least 20 Business Days prior to the Tax Event Repayment Date, provided that no such notice shall be given earlier than 40 Business Days prior to the earliest date on which the Issuer would be obliged to withhold such tax were a payment in respect of the Bonds then due.

**10.5 Mandatory early redemption due to a Mandatory Redemption Event**

Upon a Mandatory Redemption Event, the Issuer shall promptly, and in any event no later than on the date falling five Business Days after the Long Stop Date, redeem all the Outstanding Bonds at a price of 100.00 per cent. of the Nominal Amount plus accrued and unpaid interest since the Issue Date, by *inter alia*, applying the funds deposited on the Escrow Account towards such redemption.

**10.6 Special Redemption – Change of Control Event**

(a) If a Change of Control Event occurs prior to the First Call Date, the Issuer shall have the right, by giving no less than five Business Days' prior written notice to the Bond Trustee, to redeem all (but not only some) of the Bonds at a price equal to the First Call Price (plus accrued and unpaid interest on the redeemed Bonds as of the repayment date) (the "**Special Redemption**").

(b) The Special Redemption notice shall specify the repayment date, which shall be within 10 Business Days after the date of the Change of Control Event, and any Bondholder that has exercised its Put Option shall have its Bonds redeemed at the time and the redemption price applicable to the Special Redemption.

**10.7 Mandatory early redemption – Total Loss**

If any Collateral Vessel or Geotechnical Rig becomes a Total Loss, then the Issuer shall, on the earlier of (a) the date falling 180 days after the occurrence of such Total Loss, as finally determined by the relevant insurers or a competent court or tribunal and (b) five Business Days after the date of receipt by any Group Company or the Security Agent (or, in each case, its nominee) of the insurance proceeds (or other damages payment from third parties) in respect thereof, redeem Bonds in an amount equal to the lower of:

(a) the Market Value of such Collateral Vessel or Geotechnical Rig (as determined by a valuation delivered by an Approved Broker); and

(b) the amount of such insurance proceeds or damages payment, at a price equal to 100.00 per cent. of the Nominal Amount

in each case, plus accrued and unpaid interest on the redeemed Bonds.

**11. PURCHASE AND TRANSFER OF BONDS**

**11.1 Issuer's purchase of Bonds**

The Issuer and any Group Company may purchase and hold Bonds and such Bonds may be retained, sold or cancelled in the Issuer's sole discretion, including with respect to Bonds purchased pursuant to Clause 10.3 (*Mandatory repurchase due to a Change of Control Event*).

**11.2 Restrictions**

(a) Certain purchase or selling restrictions may apply to Bondholders under applicable local laws and regulations from time to time. Neither the Issuer nor the Bond Trustee shall be responsible for ensuring compliance with such laws and regulations and each Bondholder is responsible for ensuring compliance with the relevant laws and regulations at its own cost and expense.

(b) A Bondholder who has purchased Bonds in breach of applicable restrictions may, notwithstanding such breach, benefit from the rights attached to the Bonds pursuant to these Bond Terms (including, but not limited to, voting rights), provided that the Issuer shall not incur any additional liability by complying with its obligations to such Bondholder.

## 12. INFORMATION UNDERTAKINGS

### 12.1 Financial Reports

(a) The Issuer shall prepare Annual Financial Statements in the English language and make them available on its website (alternatively on another relevant information platform) as soon as they become available, and not later than four months after the end of the financial year.

(b) The Issuer shall prepare Interim Accounts in the English language and make them available on its website (alternatively on another relevant information platform) as soon as they become available, and not later than two months after the end of the relevant interim period.

### 12.2 Requirements as to Financial Reports

(a) The Issuer shall supply to the Bond Trustee, in connection with the publication of its Financial Reports pursuant to Clause 12.1 (*Financial Reports*), a Compliance Certificate with a copy of the Financial Reports attached thereto. The Compliance Certificate shall be duly signed by the chief executive officer or the chief financial officer of the Issuer, certifying *inter alia* that the Financial Reports fairly represent its financial condition as at the date of the relevant Financial Report and setting out (in reasonable detail) computations evidencing compliance with paragraph (a) of Clause 13.23 (*Financial covenants*) as at such date.

(b) The Issuer shall procure that the Financial Reports delivered pursuant to Clause 12.1 (*Financial Reports*) are prepared using IFRS or Swiss GAAP (as applicable) consistently applied.

### 12.3 Change of Control Event

The Issuer shall promptly inform the Bond Trustee in writing after becoming aware that a Change of Control Event has occurred.

### 12.4 Listing Failure Event

The Issuer shall promptly inform the Bond Trustee in writing if a Listing Failure Event has occurred. However, no Event of Default shall occur if the Issuer fails (a) to list the Bonds in accordance with Clause 4 (*Admission to Listing)* or (b) to inform of such Listing Failure Event, and such failure shall result in the accrual of default interest in accordance with paragraph (c) of Clause 8.2 (*Default interest*) for as long as such Listing Failure Event is continuing.

### 12.5 Information: Miscellaneous

The Issuer shall:

(a) promptly inform the Bond Trustee in writing of any Event of Default or any event or circumstance which the Issuer understands or could reasonably be expected to understand may lead to an Event of Default and the steps, if any, being taken to remedy it;

(b) at the request of the Bond Trustee, report the balance of the Issuer's Bonds (to the best of its knowledge, having made due and appropriate enquiries);

(c) send the Bond Trustee copies of any statutory notifications of the Issuer, including but not limited to in connection with mergers, de-mergers and reduction of the Issuer's share capital or equity;

(d) if the Bonds are listed on an Exchange, send a copy to the Bond Trustee of its notices to the Exchange;

(e) if the Issuer and/or the Bonds are rated, inform the Bond Trustee of its and/or the rating of the Bonds, and any changes to such rating;

(f) inform the Bond Trustee of changes in the registration of the Bonds in the CSD;

(g) at the cost of the Issuer, in connection with any Total Loss of a Collateral Vessel, promptly provide to the Bond Trustee a valuation by an Approved Broker evidencing the Market Value of the relevant Collateral Vessel as of a date no earlier than 30 days prior to such Total Loss; and

(h) within a reasonable time, provide such information about the Issuer's and the Group's business, assets and financial condition as the Bond Trustee may reasonably request.

## 13. GENERAL AND FINANCIAL UNDERTAKINGS

The Issuer undertakes to (and shall, where applicable, procure that the other Group Companies will) comply with the undertakings set forth in this Clause 13.

### 13.1 Authorisations

The Issuer shall, and shall procure that each other Group Company will, in all material respects obtain, maintain and comply with the terms of any authorisation, approval, licence and consent required for the conduct of its business as carried out from time to time.

### 13.2 Compliance with laws

The Issuer shall, and shall procure that each other Group Company will, comply in all material respects with all laws and regulations to which it may be subject from time to time.

### 13.3 Continuation of business

The Issuer shall procure that no material change is made to the general nature of the business from that carried on by the Group at the Issue Date.

### 13.4 Corporate status

The Issuer:

(a) shall not change its type of organization or jurisdiction of incorporation, except that the Issuer shall, no later than 7 September 2025, change its type of organization to a public limited company under and in accordance with the UK Companies Act 2006; and

(b) shall procure that each other Obligor remains incorporated in an Approved Jurisdiction.

### 13.5 Mergers and de-mergers

The Issuer shall not, and shall procure that no other Group Company will, carry out:

(a) any merger or other business combination or corporate reorganisation involving the consolidation of assets and obligations of any Group Company with any person; or

(b) any demerger or other corporate reorganisation having the same or equivalent effect as a demerger involving the Issuer or any Group Company,

if such transaction would have a Material Adverse Effect, and provided that in any merger or other business combination or corporate reorganisation involving an Obligor, the surviving entity shall be (or become) an Obligor (and, if involving the Issuer, shall be the Issuer).

**13.6 Financial Indebtedness**

The Issuer shall not, and shall procure that no other Group Company will, incur any additional Financial Indebtedness or maintain or prolong any existing Financial Indebtedness, other than any Permitted Financial Indebtedness.

**13.7 Negative pledge**

The Issuer shall not, and shall procure that no other Group Company will, create or allow to subsist, retain, provide, prolong or renew any Security over any of its assets (whether present or future), other than any Permitted Security.

**13.8 Loans or credit**

The Issuer shall not, and shall procure that no other Group Company will, be a creditor in respect of any Financial Indebtedness, other than any Permitted Loan.

**13.9 No guarantees or indemnities**

The Issuer shall not, and shall procure that no other Group Company will, incur or allow to remain outstanding any guarantee in respect of any obligation of any person, other than any Permitted Guarantee.

**13.10 Disposals**

The Issuer shall not, and shall procure that no other Group Company will sell, transfer or otherwise dispose of any shares in an Obligor or any other assets (including Ownership Interests in any Collateral Vessel or Geotechnical Rig) or operations (for the purpose of this paragraph, each a "**disposal**") other than:

(a) any disposal to an Obligor, provided that, to the extent that the disposed assets are subject to Security in favour of the Secured Parties prior to such disposal, new Security shall, subject to the Agreed Security Principles, be created over the acquired assets;

(b) any disposal by any Group Company not being a direct or indirect disposal of shares in an Obligor or any Ownership Interests in any Collateral Vessel or Geotechnical Rig to any person not being a Group Company, provided such disposal would not have a Material Adverse Effect; and

(c) any direct or indirect disposal of shares in or other assets or operations of any Obligor (including Ownership Interests in any Collateral Vessel or Geotechnical Rig) to any Person not being a Group Company (a "**Restricted Disposal**"), provided that:

(i) any such Restricted Disposal would not have a Material Adverse Effect;

(ii) the net cash proceeds from such Restricted Disposal are, subject to paragraphs (iii) and (iv) below, applied:

(A) to finance (in whole or in part) the acquisition of any assets relevant to uphold or develop the business of the Group (and to the extent that the disposed assets were subject to Transaction Security, new Security is, subject to the Agreed Security Principles, created over the acquired assets); or

(B) if such proceeds or any part thereof are not applied as set out in paragraph (A) above within 12 months of receipt by the relevant Group Company, by the Issuer to redeem Bonds (in whole or in part) at a price equal to the call price that would have applied if such redemption had taken place by way of a Call Option exercised on the date of completion of such Restricted Disposal plus accrued and unpaid interest on the redeemed Bonds (provided that the aggregate amount to be so applied shall not exceed the unused amount of such proceeds);

(iii) any net cash proceeds from a Restricted Disposal of Ownership Interests in a Collateral Vessel or Geotechnical Rig, if applied for reinvestment in accordance with paragraph (ii)(A) above, may only be applied for reinvestment in an existing or new Collateral Vessel or Geotechnical Rig or equipment related to either of the foregoing; and

(iv) in respect of net cash proceeds from Restricted Disposals not exceeding USD 20,000,000 in aggregate during any rolling 12 month period, the Issuer may elect not to reinvest such net cash proceeds or to redeem Bonds in accordance with paragraph (ii) above, and may apply such proceeds to general corporate purposes.

**13.11 Related party transactions**

Without limiting Clause 13.2 (*Compliance with laws*), the Issuer shall not, and shall procure that no other Group Company will:

(a) engage, directly or indirectly, in any transaction with any party other than on an arm's length basis; or

(b) charter any Collateral Vessel to or enter into any management agreement for any Collateral Vessel with any Affiliate that is not a Group Company.

**13.12 Anti-corruption and sanctions**

The Issuer shall, and shall procure that each other Group Company will, conduct its business and maintain policies and procedures in compliance with all applicable anti-corruption and sanctions laws.

**13.13 Asset Owners**

(a) The Issuer shall procure that each Asset Owner shall remain a single purpose company with the sole purpose of owning and, if relevant, operating Collateral Vessels and/or Geotechnical Rigs (including entering into relevant charterparties and other agreements and arrangements in relation thereto, owning equipment for use on any such Collateral Vessels or Geotechnical Rigs and employing or hiring-in relevant staff and management services as required).

(b) The Issuer shall procure that each Asset Owner is at all times incorporated in an Approved Jurisdiction and the required Transaction Security is established in respect of such Asset Owner and its assets in accordance with the Clause 2.5 (*Transaction Security*).

**13.14 Ownership**

The Issuer shall procure that:

(a) the Parent is the direct owner of all of the shares and voting rights in the Issuer; and

(b) subject to paragraph (i) (*Ownership of the Collateral Vessels and Geotechnical Rigs*) of Clause 13.22 (*Collateral Vessel and Geotechnical Rig undertakings*), all of the shares and voting rights in each Asset Owner are directly or indirectly owned by a single Material Group Company, the shares of which are subject to Transaction Security.

**13.15 Distributions**

The Issuer shall not, and shall procure that no other Group Company will, make any Distribution other than a Permitted Distribution.

**13.16 Subsidiary distribution**

The Issuer shall not permit any other Group Company to create any contractual obligation or encumbrance restricting the right of such Group Company to make Distributions to its shareholders, other than any such contractual obligation or encumbrance that is not reasonably likely to prevent the Issuer from complying with its payment obligations under the Bond Terms.

**13.17 Maintain Transaction Security Documents**

The Issuer shall, and shall procure that each other Security Provider will, maintain the Transaction Security Documents to which such Security Provider is a party in full force and effect, and do all acts that may be necessary to ensure that such Security remains duly created, enforceable and (where required) perfected with first priority ranking, creating the Security contemplated thereunder, at the expense of the relevant Security Provider.

**13.18 Holding company**

The Issuer shall ensure that the Parent will not, trade, carry on any business or own any material assets, except for (a) the provision of administrative or advisory services to other Group Companies of a type customarily provided by a holding company to its Subsidiaries, (b) the acquisition and ownership of shares in any company, bank accounts and Cash and Cash Equivalents, (c) the granting of any loan or credit to other Group Companies and (d) owning any other assets or conducting any other business, to an extent and in a manner, and of a type, customarily owned or conducted by such a holding company.

### 13.19 Designation of Material Group Companies

The Issuer shall, together with the delivery of its Annual Financial Statements, deliver a Compliance Certificate to the Bond Trustee designating as Material Group Companies:

(a) each Group Company that has earnings before interest, tax, depreciation and amortisation (calculated on the same basis as EBITDA), net assets or turnover (excluding intra-group items) representing 10.00 per cent. or more of EBITDA, the net assets or the turnover of the Group, in each case, calculated on a consolidated basis; and

(b) such other Group Companies as is necessary to ensure that the aggregate earnings before interest, tax, depreciation and amortisation (calculated on the same basis as EBITDA) and the aggregate net assets and the aggregate turnover of the Material Group Companies (calculated on an unconsolidated basis and excluding all intra-group items and investments in Subsidiaries of any Group Company) represent not less than 85.00 per cent. of EBITDA, the consolidated net assets and the consolidated turnover of the Group; and

(c) any Group Company that owns shares in another Material Group Company,

(in the case of paragraphs (a) and (b) above, determined by reference to the most recent Annual Financial Statements or Interim Accounts (as applicable) and the equivalent financial statements of the relevant Group Companies and, when calculating EBITDA, any Group Company that generates negative EBITDA shall be disregarded and its EBITDA shall be deemed to be zero for the purposes of those calculations), and shall procure that any Material Group Company designated pursuant to this Clause 13.19 no later than 60 days after such designation grants Transaction Security in accordance with Clause 2.5 (*Transaction Security*).

### 13.20 Leasing of vessels

The Issuer shall procure that, in respect of any vessel leased into the Group under any new lease entered into after the Issue Date and with a duration of more than 12 months:

(a) the lessee shall be a Group Company that is not an Obligor;

(b) the lessor and any creditor in respect of such lease shall not have recourse against any Obligor (other than in the form of a guarantee granted by the Parent); and

(c) the claims of such Group Company under any internal charter of such vessel to an Obligor shall be subordinated to the Secured Obligations.

### 13.21 Clean down of Credit Facility

The Issuer shall procure that all cash loans under any Credit Facility are subject to simultaneous net clean down (net of all Cash and Cash Equivalents) for three consecutive Business Days, once in every 12 month rolling period

### 13.22 Collateral Vessel and Geotechnical Rig undertakings

(a) *Compliance with laws*: Each Collateral Vessel and Geotechnical Rig shall be operated in all material respects in accordance with applicable laws and regulations.

(b) *Earnings*: The Issuer shall procure that all Earnings in respect of each Collateral Vessel and Geotechnical Rig are paid directly into an Earnings Account.

(c) *Flag*: The Issuer shall procure that each Vessel Owner will maintain the registration of the relevant Collateral Vessel with an Approved Ship Registry.

(d) *Class*: The Issuer shall, and shall procure that each Vessel Owner will, procure that each Vessel is at all times maintained in class with an Approved Classification Society (free of overdue material recommendations and adverse notations).

(e) *Maintenance*: The Issuer shall (i) ensure that each Collateral Vessel and Geotechnical Rig is properly maintained and kept in good and safe condition in a manner consistent with prudent ownership and good industry standards, and (ii) submit or cause each Collateral Vessel to be submitted to such periodic or other surveys as may be required for classification purposes.

(f) *Insurances*: Insurance of each Collateral Vessel (and, in respect of hull and machinery, each Geotechnical Rig) shall be taken out and maintained with financially sound and reputable insurance companies, funds or underwriters:

(i) against:

(A) fire and usual marine risks (under hull and machinery insurance, hull interest insurance and freight interest insurance) in accordance with the conditions of the Institute Time Clauses – Hulls CL280 (1/10/83) or the Nordic Marine Insurance Plan of 2013 (as amended from time to time); and

(B) war risks (including terrorism, piracy, confiscation, war protection and indemnity risks, and the London Blocking and Trapping addendum or similar arrangement) in accordance with the full conditions of the Institute War and Strikes Clauses – Hulls (1/10/83) or the Nordic Marine Insurance Plan of 2013 (as amended from time to time),

in each case, provided that the total agreed insurance value of such Insurances for all Collateral Vessels in aggregate shall be no less than 110.00 per cent. of the Outstanding Bonds from time to time; and

(ii) against full protection and indemnity risks in accordance with the rules of a club that is a member of the International Group of Protection and Indemnity Associations (IGA) to the highest limit of indemnity provided by that club for oil pollution liability and to a commercially reasonable level for other claims,

and further provided that Bond Trustee may take out Mortgagee Interest Insurance and Mortgagee Interest Insurance Additional Perils Pollution, in both cases on competitive market terms, for a minimum amount equal to no less than 110.00 per cent. of the Outstanding Bonds from time to time, and the Issuer shall reimburse the Bond Trustee any and all sums paid as premium in respect of such insurance cover.

(g) *Technical management*: The Issuer shall procure that:

(i) technical management services in respect of each Collateral Vessel are undertaken by a Vessel Manager pursuant to a management services agreement and no such management services agreement is terminated or amended to the extent the same would have a Material Adverse Effect; and

(ii) such Vessel Manager provides (in respect of any Vessel Manager that is not a Group Company, on a reasonable endeavours basis) a manager's undertaking, in form and substance satisfactory to the Bond Trustee and in line with market practice, pursuant to which such Vessel Manager fully subordinates its claims under the relevant management services agreement to the Secured Obligations.

(h) *Technical inspection*: The Issuer shall, upon request of the Bond Trustee and at the expense of the Issuer, arrange for the Bond Trustee (and/or its designee) to undertake a technical inspection of any Collateral Vessel or Geotechnical Rig, provided that (i) any such inspection shall be without interference of the daily operation of such Collateral Vessel or Geotechnical Rig and (ii) such inspection right shall (unless an Event of Default has occurred and is continuing) be limited to maximum one inspection per calendar year per Collateral Vessel or Geotechnical Rig.

(i) *Ownership of the Collateral Vessels and Geotechnical Rigs*: The Issuer shall ensure that each Collateral Vessel and Geotechnical Rig remains owned by its respective Asset Owner, provided that the foregoing shall not apply to any disposal of a Collateral Vessel or Geotechnical Rig in accordance with paragraphs (a) or (c) of Clause 13.10 (*Disposals*).

(j) *Sustainable Recycling of Collateral Vessels*: The Issuer shall ensure that any recycling of any Collateral Vessel takes place at a recycling yard which conducts its recycling business in a socially and environmentally responsible manner in accordance with the Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships, 2009 and/or EU Ship Recycling Regulation, 2013.

(k) *Arrest*: The Issuer shall procure the prompt discharge of (i) all liabilities which give or may give rise to maritime or possessory liens on or claims enforceable against any Collateral Vessel, its Earnings or Insurances; (ii) all taxes, dues and other amounts charged in respect of each Collateral Vessel, its Earnings or Insurances and (iii) all other outgoings whatsoever in respect of each Collateral Vessel, its Earnings or Insurances, in each case, to the extent failure to do so would have a Material Adverse Effect and, forthwith upon receiving notice of the arrest of any Collateral Vessel, or of its detention in exercise or purported exercise of any lien or claim, shall procure its release by providing bail or otherwise as the circumstances may require.

(l) *Inventory of Hazardous Materials*: The Issuer shall, and shall procure that each Vessel Owner will, procure that each Collateral Vessel at all times carries an Inventory of Hazardous Materials.

### 13.23 Financial covenants

(a) *Financial covenants*: The Issuer shall procure that, on a consolidated basis for the Group, the following financial covenants are complied with at all times during the term of the Bonds:

(i) minimum Liquidity of at least the higher of (A) USD 10,000,000 (or its equivalent in any other currency) and (B) 5.00 per cent. of Gross Interest Bearing Debt; and

(ii) maximum Leverage Ratio of, from and including:

(A) the Issue Date to, but not including, the Interest Payment Date in April 2026, 3.00:1.00;

(B) the Interest Payment Date in April 2026 to, but not including, the Interest Payment Date in April 2027, 2.75:1.00;

(C) the Interest Payment Date in April 2027 to, but not including, the Interest Payment Date in April 2028, 2.50:1.00; and

(D) the Interest Payment Date in April 2028 to, but not including, the Maturity Date, 2.00:1.00,

in each case, to be tested on each Quarter Date and certified by the Issuer in a Compliance Certificate in accordance with Clause 12.2 (*Requirements as to Financial Reports*).

(b) *Covenant cure*:

(i) If the Issuer fails (or would otherwise fail) to comply with any of the financial covenants set out in paragraph (a) (*Financial covenants*) above as at any Quarter Date, and the Parent receives cash proceeds in the form of new cash equity or Subordinated Loans (the "**Cure Amount**") no later than the deadline for delivery of the relevant Compliance Certificate to the Bond Trustee, then such financial covenant shall be recalculated after giving effect to the following *pro forma* adjustments:

(A) in respect of the minimum Liquidity financial covenant, Cash and Cash Equivalents shall be increased by an amount equal to the Cure Amount; and

(B) in respect of the maximum Leverage Ratio financial covenant, Net Interest Bearing Debt shall be decreased by an amount equal to the Cure Amount,

and if, after giving effect to the foregoing recalculations, the Issuer is in compliance with the requirements of all of the financial covenants set out in paragraph (a) (*Financial covenants*) above and certifies the same in a revised Compliance Certificate delivered to the Bond Trustee no later than such deadline, the Issuer shall be deemed to have satisfied the requirements of such financial covenants for such Quarter Date as though there had been no failure to comply with such requirement, and the applicable breach or default of such financial covenants which had occurred shall be deemed to have been prevented or cured.

(ii) The Issuer shall be limited to a maximum of two financial covenant cures of actual failures to satisfy of the financial covenants set out in paragraph (a) (*Financial covenants*) above during the term of the Bonds, and no consecutive financial covenant cures may be made.

(c) *Incurrence Test*: The Incurrence Test is met if the Leverage Ratio does not exceed:

(i) with respect to any Tap Issue, 1.50:1.00; and

(ii) with respect to any incurrence of Newbuild Financing, from and including:

(A) the Issue Date to, but not including, the Interest Payment Date in April 2027, 2.50:1:00;

(B) the Interest Payment Date in April 2027 to, but not including, the Interest Payment Date in April 2028, 2.00:1.00; and

(C) the Interest Payment Date in April 2028 to, but not including, the Maturity Date, 1.50:1.00,

at the relevant time, such compliance to be certified by the Issuer in a Compliance Certificate delivered to the Bond Trustee.

(d) *Calculations and adjustments*:

(i) For the purpose of calculating the Leverage Ratio:

(A) EBITDA shall be calculated by reference to the amount of EBITDA derived from the Financial Report(s) for the applicable Relevant Period (and any Compliance Certificate(s) relating thereto); and

(B) in respect of any Incurrence Test, Net Interest Bearing Debt shall include the amount of the new Financial Indebtedness to be incurred and exclude any Financial Indebtedness to be refinanced, and the net proceeds of any such Financial Indebtedness shall not reduce Net Interest Bearing Debt.

(ii) Liquidity and Leverage Ratio shall (for all purposes) be calculated and tested on the basis of Swiss GAAP.

## 14. EVENTS OF DEFAULT AND ACCELERATION OF THE BONDS

### 14.1 Events of Default

Each of the events or circumstances set out in this Clause 14.1 shall constitute an Event of Default:

*(a) Non-payment*

An Obligor fails to pay any amount payable by it under the Finance Documents when such amount is due for payment, unless:

(i) its failure to pay is caused by administrative or technical error in payment systems or the CSD and payment is made within five Business Days following the original due date; or

(ii) in the discretion of the Bond Trustee, the Issuer has substantiated that it is likely that such payment will be made in full within five Business Days following the original due date.

*(b) Breach of other obligations*

An Obligor does not comply with any provision of the Finance Documents other than set out under paragraph (a) (*Non-payment*) above, unless such failure is capable of being remedied and is remedied within 20 Business Days after the earlier of the Issuer's actual knowledge thereof, or notice thereof is given to the Issuer by the Bond Trustee.

*(c) Misrepresentation*

Any representation, warranty or statement (including statements in Compliance Certificates) made by any Material Group Company under or in connection with any Finance Documents is or proves to have been incorrect, inaccurate or misleading in any material respect when made.

*(d) Cross default*

If for any Material Group Company:

(i) any Financial Indebtedness is not paid when due nor within any applicable grace period; or

(ii) any Financial Indebtedness is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described); or

(iii) any commitment for any Financial Indebtedness is cancelled or suspended by a creditor as a result of an event of default (however described); or

(iv) any creditor becomes entitled to declare any Financial Indebtedness due and payable prior to its specified maturity as a result of any insolvency, insolvency proceedings or creditor's process (however described) (but not as a result of any other defaults (including breach of any maintenance financial covenants)),

provided however that the aggregate amount of such Financial Indebtedness or commitment for Financial Indebtedness falling within paragraphs (i) to (iv) above exceeds a total of USD 5,000,000 (or the equivalent thereof in any other currency).

*(e) Insolvency and insolvency proceedings*

Any Material Group Company:

(i) is Insolvent; or

(ii) is the object of any corporate action or any legal proceedings are taken in relation to:

(A) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) other than a solvent liquidation or reorganisation; or

(B) a composition, compromise, assignment or arrangement with any creditor which may materially impair its ability to perform its obligations under these Bond Terms; or

(C) the appointment of a liquidator (other than in respect of a solvent liquidation), receiver, administrative receiver, administrator, compulsory manager or other similar officer of any of its assets; or

(D) enforcement of any Security over any of its assets having an aggregate value exceeding the threshold amount set out in paragraph (d) (*Cross default*) above; or

(E) for paragraphs (A) to (D) above, any analogous procedure or step is taken in any jurisdiction in respect of any such company,

provided that the foregoing shall not apply to any petition which is frivolous or vexatious and is discharged, stayed or dismissed within 20 Business Days of commencement.

*(f) Creditor's process*

Any expropriation, attachment, sequestration, distress or execution affects any asset or assets of any Material Group Company having an aggregate value exceeding the threshold amount set out in paragraph (d) (*Cross default*) above and is not discharged within 20 Business Days.

*(g) Unlawfulness*

It is or becomes unlawful for an Obligor to perform or comply with any of its obligations under the Finance Documents to the extent this may materially impair:

(i) the ability of such Obligor to perform its obligations under these Bond Terms; or

(ii) the ability of the Bond Trustee or any Security Agent to exercise any material right or power vested to it under the Finance Documents.

**14.2 Acceleration of the Bonds**

If an Event of Default has occurred and is continuing, the Bond Trustee may, in its discretion in order to protect the interests of the Bondholders, or upon instruction received from the Bondholders pursuant to Clause 14.3 (*Bondholders' instructions*) below, by serving a Default Notice to the Issuer:

(a) declare that the Outstanding Bonds, together with accrued interest and all other amounts accrued or outstanding under the Finance Documents be immediately due and payable, at which time they shall become immediately due and payable; and/or

(b) exercise (or direct the Security Agent to exercise) any or all of its rights, remedies, powers or discretions under the Finance Documents or take such further measures as are necessary to recover the amounts outstanding under the Finance Documents.

**14.3 Bondholders' instructions**

The Bond Trustee shall serve a Default Notice pursuant to Clause 14.2 (*Acceleration of the Bonds*) if:

(a) the Bond Trustee receives a demand in writing from Bondholders representing a simple majority of the Voting Bonds, that an Event of Default shall be declared, and a Bondholders' Meeting has not made a resolution to the contrary; or

(b) the Bondholders' Meeting, by a simple majority decision, has approved the declaration of an Event of Default.

**14.4 Calculation of claim**

The claim derived from the Outstanding Bonds due for payment as a result of the serving of a Default Notice will be calculated at the call prices set out in Clause 10.2 (*Voluntary early redemption – Call Option*), as applicable at the following dates (and regardless of the Default Repayment Date):

(a) for any Event of Default arising out of a breach of paragraph (a) (*Non-payment*) of Clause 14.1 (*Events of Default*), the claim will be calculated at the call price applicable at the date when such Event of Default occurred; and

(b) for any other Event of Default, the claim will be calculated at the call price applicable at the date when the Default Notice was served by the Bond Trustee,

provided that, if the situations described in paragraph (a) or (b) above take place prior to the First Call Date, the calculation shall be based on the call price applicable on the First Call Date.

**15. BONDHOLDERS' DECISIONS**

**15.1 Authority of the Bondholders' Meeting**

(a) A Bondholders' Meeting may, on behalf of the Bondholders, resolve to alter any of these Bond Terms, including, but not limited to, any reduction of principal or interest and any conversion of the Bonds into other capital classes.

(b) The Bondholders' Meeting cannot resolve that any overdue payment of any instalment shall be reduced unless there is a *pro rata* reduction of the principal that has not fallen due, but may resolve that accrued interest (whether overdue or not) shall be reduced without a corresponding reduction of principal.

(c) The Bondholders' Meeting may not adopt resolutions which will give certain Bondholders an unreasonable advantage at the expense of other Bondholders.

(d) Subject to the power of the Bond Trustee to take certain action as set out in Clause 16.1 (*Power to represent the Bondholders*), if a resolution by, or an approval of, the Bondholders is required, such resolution may be passed at a Bondholders' Meeting. Resolutions passed at any Bondholders' Meeting will be binding upon all Bondholders.

(e) At least 50.00 per cent. of the Voting Bonds must be represented at a Bondholders' Meeting for a quorum to be present.

(f) Resolutions will be passed by simple majority of the Voting Bonds represented at the Bondholders' Meeting, unless otherwise set out in paragraph (g) below.

(g) Save for any amendments or waivers which can be made without resolution pursuant to paragraphs (a)(i) and (a)(ii) of Clause 17.1 (*Procedure for amendments and waivers*), a majority of at least 2/3 of the Voting Bonds represented at the Bondholders' Meeting is required for approval of any waiver or amendment of these Bond Terms.

**15.2 Procedure for arranging a Bondholders' Meeting**

(a) A Bondholders' Meeting shall be convened by the Bond Trustee upon the request in writing of:

(i) the Issuer;

(ii) Bondholders representing at least 1/10 of the Voting Bonds;

(iii) the Exchange, if the Bonds are listed and the Exchange is entitled to do so pursuant to the general rules and regulations of the Exchange; or

(iv) the Bond Trustee.

The request shall clearly state the matters to be discussed and resolved.

(b) If the Bond Trustee has not convened a Bondholders' Meeting within 10 Business Days after having received a valid request for calling a Bondholders' Meeting pursuant to paragraph (a) above, then the requesting party may call the Bondholders' Meeting itself.

(c) Summons to a Bondholders' Meeting must be sent no later than 10 Business Days prior to the proposed date of the Bondholders' Meeting. The Summons shall be sent to all Bondholders registered in the CSD at the time the Summons is sent from the CSD. If the Bonds are listed, the Issuer shall ensure that the Summons is published in accordance with the applicable regulations of the Exchange. The Summons shall also be published on the website of the Bond Trustee (alternatively by press release or other relevant information platform).

(d) Any Summons for a Bondholders' Meeting must clearly state the agenda for the Bondholders' Meeting and the matters to be resolved. The Bond Trustee may include additional agenda items to those requested by the person calling for the Bondholders' Meeting in the Summons. If the Summons contains proposed amendments to these Bond Terms, a description of the proposed amendments must be set out in the Summons.

(e) Items which have not been included in the Summons may not be put to a vote at the Bondholders' Meeting.

(f) By written notice to the Issuer, the Bond Trustee may prohibit the Issuer from acquiring or dispose of Bonds during the period from the date of the Summons until the date of the Bondholders' Meeting, unless the acquisition of Bonds is made by the Issuer pursuant to Clause 10 (*Redemption and Repurchase of Bonds*).

(g) A Bondholders' Meeting may be held on premises selected by the Bond Trustee, or if paragraph (b) above applies, by the person convening the Bondholders' Meeting (however to be held in the capital of the Relevant Jurisdiction). The Bondholders' Meeting will be opened and, unless otherwise decided by the Bondholders' Meeting, chaired by the Bond Trustee. If the Bond Trustee is not present, the Bondholders' Meeting will be opened by a Bondholder and be chaired by a representative elected by the Bondholders' Meeting (the Bond Trustee or such other representative, the "**Chairperson**").

(h) Each Bondholder, the Bond Trustee and, if the Bonds are listed, representatives of the Exchange, or any person or persons acting under a power of attorney for a Bondholder, shall have the right to attend the Bondholders' Meeting (each a "**Representative**"). The Chairperson may grant access to the meeting to other persons not being Representatives, unless the Bondholders' Meeting decides otherwise. In addition, each Representative has the right to be accompanied by an advisor. In case of dispute or doubt regarding whether a person is a Representative or entitled to vote, the Chairperson will decide who may attend the Bondholders' Meeting and exercise voting rights.

(i) Representatives of the Issuer have the right to attend the Bondholders' Meeting. The Bondholders Meeting may resolve to exclude the Issuer's representatives and/or any person holding only Issuer's Bonds (or any representative of such person) from participating in the meeting at certain times, however, the Issuer's representative and any such other person shall have the right to be present during the voting.

(j) Minutes of the Bondholders' Meeting must be recorded by, or by someone acting at the instruction of, the Chairperson. The minutes must state the number of Voting Bonds represented at the Bondholders' Meeting, the resolutions passed at the meeting, and the results of the vote on the matters to be decided at the Bondholders' Meeting. The minutes shall be signed by the Chairperson and at least one other person. The minutes will be deposited with the Bond Trustee who shall make available a copy to the Bondholders and the Issuer upon request.

(k) The Bond Trustee will ensure that the Issuer, the Bondholders and the Exchange are notified of resolutions passed at the Bondholders' Meeting and that the resolutions are published on the website of the Bond Trustee (or other relevant electronically platform or press release).

(l) The Issuer shall bear the costs and expenses incurred in connection with convening a Bondholders' Meeting regardless of who has convened the Bondholders' Meeting, including any reasonable costs and fees incurred by the Bond Trustee.

### 15.3 Voting rules

(a) Each Bondholder (or person acting for a Bondholder under a power of attorney) may cast one vote for each Voting Bond owned on the Relevant Record Date, ref. Clause 3.3 (*Bondholders' rights*). The Chairperson may, in its sole discretion, decide on accepted evidence of ownership of Voting Bonds.

(b) Issuer's Bonds shall not carry any voting rights. The Chairperson shall determine any question concerning whether any Bonds will be considered Issuer's Bonds.

(c) For the purposes of this Clause 15, a Bondholder that has a Bond registered in the name of a nominee will, in accordance with Clause 3.3 (*Bondholders' rights*), be deemed to be the owner of the Bond rather than the nominee. No vote may be cast by any nominee if the Bondholder has presented relevant evidence to the Bond Trustee pursuant to Clause 3.3 (*Bondholders' rights*) stating that it is the owner of the Bonds voted for. If the Bondholder has voted directly for any of its nominee registered Bonds, the Bondholder's votes shall take precedence over votes submitted by the nominee for the same Bonds.

(d) Any of the Issuer, the Bond Trustee and any Bondholder has the right to demand a vote by ballot. In case of parity of votes, the Chairperson will have the deciding vote.

### 15.4 Repeated Bondholders' Meeting

(a) Even if the necessary quorum set out in paragraph (e) of Clause 15.1 (*Authority of the Bondholders' Meeting*) is not achieved, the Bondholders' Meeting shall be held and voting completed for the purpose of recording the voting results in the minutes of the Bondholders' Meeting. The Bond Trustee or the person who convened the initial Bondholders' Meeting may, within 10 Business Days of that Bondholders' Meeting, convene a repeated meeting with the same agenda as the first meeting.

(b) The provisions and procedures regarding Bondholders' Meetings as set out in Clause 15.1 (*Authority of the Bondholders' Meeting*), Clause 15.2 (*Procedure for arranging a Bondholders' Meeting*) and Clause 15.3 (*Voting rules*) shall apply *mutatis mutandis* to a repeated Bondholders' Meeting, with the exception that the quorum requirements set out in paragraph (e) of Clause 15.1 (*Authority of the Bondholders' Meeting*) shall not apply to a repeated Bondholders' Meeting. A Summons for a repeated Bondholders' Meeting shall also contain the voting results obtained in the initial Bondholders' Meeting.

(c) A repeated Bondholders' Meeting may only be convened once for each original Bondholders' Meeting. A repeated Bondholders' Meeting may be convened pursuant to the procedures of a Written Resolution in accordance with Clause 15.5 (*Written Resolutions*), even if the initial meeting was held pursuant to the procedures of a Bondholders' Meeting in accordance with Clause 15.2 (*Procedure for arranging a Bondholders' Meeting*) and vice versa.

### 15.5 Written Resolutions

(a) Subject to these Bond Terms, anything which may be resolved by the Bondholders in a Bondholders' Meeting pursuant to Clause 15.1 (*Authority of the Bondholders' Meeting*) may also be resolved by way of a Written Resolution. A Written Resolution passed with the relevant majority is as valid as if it had been passed by the Bondholders in a

Bondholders' Meeting, and any reference in any Finance Document to a Bondholders' Meeting shall be construed accordingly.

(b) The person requesting a Bondholders' Meeting may instead request that the relevant matters are to be resolved by Written Resolution only, unless the Bond Trustee decides otherwise.

(c) The Summons for the Written Resolution shall be sent to the Bondholders registered in the CSD at the time the Summons is sent from the CSD and published at the Bond Trustee's web site, or other relevant electronic platform or via press release.

(d) The provisions set out in Clause 15.1 (*Authority of the Bondholders' Meeting*), 15.2 (*Procedure for arranging a Bondholders' Meeting*), Clause 15.3 (*Voting rules*) and Clause 15.4 (*Repeated Bondholders' Meeting*) shall apply *mutatis mutandis* to a Written Resolution, except that:

(i) the provisions set out in paragraphs (g), (h) and (i) of Clause 15.2 (*Procedure for arranging Bondholders Meetings*); or

(ii) provisions which are otherwise in conflict with the requirements of this Clause 15.5,

shall not apply to a Written Resolution.

(e) The Summons for a Written Resolution shall include:

(i) instructions as to how to vote to each separate item in the Summons (including instructions as to how voting can be done electronically if relevant); and

(ii) the time limit within which the Bond Trustee must have received all votes necessary in order for the Written Resolution to be passed with the requisite majority, which shall be at least 10 Business Days but not more than 15 Business Days from the date of the Summons (the "**Voting Period**").

(f) Only Bondholders of Voting Bonds registered with the CSD on the Relevant Record Date, or the beneficial owner thereof having presented relevant evidence to the Bond Trustee pursuant to Clause 3.3 (*Bondholders' rights*), will be counted in the Written Resolution.

(g) A Written Resolution is passed when the requisite majority set out in paragraph (f) or (g) of Clause 15.1 (*Authority of Bondholders' Meeting*) has been obtained, based on a quorum of the total number of Voting Bonds, even if the Voting Period has not yet expired. A Written Resolution will also be resolved if the sufficient numbers of negative votes are received prior to the expiry of the Voting Period.

(h) The effective date of a Written Resolution passed prior to the expiry of the Voting Period is the date when the resolution is approved by the last Bondholder that results in the necessary voting majority being obtained.

(i) If no resolution is passed prior to the expiry of the Voting Period, the number of votes shall be calculated at the time specified in the summons on the last day of the Voting Period, and a decision will be made based on the quorum and majority requirements set out in paragraphs (e) to (g) of Clause 15.1 (*Authority of Bondholders' Meeting*).

## 16. THE BOND TRUSTEE

### 16.1 Power to represent the Bondholders

(a) The Bond Trustee has power and authority to act on behalf of, and/or represent, the Bondholders in all matters, including but not limited to taking any legal or other action, including enforcement of these Bond Terms, and the commencement of bankruptcy or other insolvency proceedings against the Issuer, or others.

(b) The Issuer shall promptly upon request provide the Bond Trustee with any such documents, information and other assistance (in form and substance satisfactory to the Bond Trustee), that the Bond Trustee deems necessary for the purpose of exercising its and the Bondholders' rights and/or carrying out its duties under the Finance Documents.

### 16.2 The duties and authority of the Bond Trustee

(a) The Bond Trustee shall represent the Bondholders in accordance with the Finance Documents, including, inter alia, by following up on the delivery of any Compliance Certificates and such other documents which the Issuer is obliged to disclose or deliver to the Bond Trustee pursuant to the Finance Documents and, when relevant, in relation to accelerating and enforcing the Bonds on behalf of the Bondholders.

(b) The Bond Trustee is not obligated to assess or monitor the financial condition of the Issuer or any other Obligor unless to the extent expressly set out in these Bond Terms, or to take any steps to ascertain whether any Event of Default has occurred. Until it has actual knowledge to the contrary, the Bond Trustee is entitled to assume that no Event of Default has occurred. The Bond Trustee is not responsible for the valid execution or enforceability of the Finance Documents, or for any discrepancy between the indicative terms and conditions described in any marketing material presented to the Bondholders prior to issuance of the Bonds and the provisions of these Bond Terms.

(c) The Bond Trustee is entitled to take such steps that it, in its sole discretion, considers necessary or advisable to protect the rights of the Bondholders in all matters pursuant to the terms of the Finance Documents. The Bond Trustee may submit any instructions received by it from the Bondholders to a Bondholders' Meeting before the Bond Trustee takes any action pursuant to the instruction.

(d) The Bond Trustee is entitled to engage external experts when carrying out its duties under the Finance Documents.

(e) The Bond Trustee shall hold all amounts recovered on behalf of the Bondholders on separated accounts.

(f) The Bond Trustee shall facilitate that resolutions passed at the Bondholders' Meeting are properly implemented, provided, however, that the Bond Trustee may refuse to implement resolutions that may be in conflict with these Bond Terms, any other Finance Document, or any applicable law.

(g) Notwithstanding any other provision of the Finance Documents to the contrary, the Bond Trustee is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation.

(h) If the cost, loss or liability which the Bond Trustee may incur (including reasonable fees payable to the Bond Trustee itself) in:

  (i) complying with instructions of the Bondholders; or

  (ii) taking any action at its own initiative,

will not, in the reasonable opinion of the Bond Trustee, be covered by the Issuer or the relevant Bondholders pursuant to paragraphs (e) and (g) of Clause 16.4 (*Expenses, liability and indemnity*), the Bond Trustee may refrain from acting in accordance with such instructions, or refrain from taking such action, until it has received such funding or indemnities (or adequate security has been provided therefore) as it may reasonably require.

(i) The Bond Trustee shall give a notice to the Bondholders before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer of any fee or indemnity due to the Bond Trustee under the Finance Documents.

(j) The Bond Trustee may instruct the CSD to split the Bonds to a lower nominal value in order to facilitate partial redemptions, write-downs or restructurings of the Bonds or in other situations where such split is deemed necessary.

**16.3 Equality and conflicts of interest**

(a) The Bond Trustee shall not make decisions which will give certain Bondholders an unreasonable advantage at the expense of other Bondholders. The Bond Trustee shall, when acting pursuant to the Finance Documents, act with regard only to the interests of the Bondholders and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other person, other than as explicitly stated in the Finance Documents.

(b) The Bond Trustee may act as agent, trustee, representative and/or security agent for several bond issues relating to the Issuer notwithstanding potential conflicts of interest. The Bond Trustee is entitled to delegate its duties to other professional parties.

**16.4 Expenses, liability and indemnity**

(a) The Bond Trustee will not be liable to the Bondholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its gross negligence or wilful misconduct. The Bond Trustee shall not be responsible for any indirect or consequential loss. Irrespective of the foregoing, the Bond Trustee shall have no liability to the Bondholders for damage caused by the Bond Trustee acting in accordance with instructions given by the Bondholders in accordance with these Bond Terms.

(b) The Bond Trustee will not be liable to the Issuer for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless caused by its gross negligence or wilful misconduct. The Bond Trustee shall not be responsible for any indirect or consequential loss.

(c) Any liability for the Bond Trustee for damage or loss is limited to the amount of the Outstanding Bonds. The Bond Trustee is not liable for the content of information provided to the Bondholders by or on behalf of the Issuer or any other person.

(d) The Bond Trustee shall not be considered to have acted negligently in:

(i) acting in accordance with advice from or opinions of reputable external experts; or

(ii) taking, delaying or omitting any action if acting with reasonable care and provided the Bond Trustee considers that such action is in the interests of the Bondholders.

(e) The Issuer is liable for, and will indemnify the Bond Trustee fully in respect of, all losses, expenses and liabilities incurred by the Bond Trustee as a result of negligence by the Issuer (including its directors, management, officers, employees and agents) in connection with the performance of the Bond Trustee's obligations under the Finance Documents, including losses incurred by the Bond Trustee as a result of the Bond Trustee's actions based on misrepresentations made by the Issuer in connection with the issuance of the Bonds, the entering into or performance under the Finance Documents, and for as long as any amounts are outstanding under or pursuant to the Finance Documents.

(f) The Issuer shall cover all costs and expenses incurred by the Bond Trustee in connection with it fulfilling its obligations under the Finance Documents. The Bond Trustee is entitled to fees for its work and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents. The Bond Trustee's obligations under the Finance Documents are conditioned upon the due payment of such fees and indemnifications. The fees of the Bond Trustee will be further set out in the Bond Trustee Fee Agreement.

(g) The Issuer shall on demand by the Bond Trustee pay all costs incurred for external experts engaged after the occurrence of an Event of Default, or for the purpose of investigating or considering (i) an event or circumstance which the Bond Trustee reasonably believes is or may lead to an Event of Default or (ii) a matter relating to the Issuer or any Finance Document which the Bond Trustee reasonably believes may constitute or lead to a breach of any Finance Document or otherwise be detrimental to the interests of the Bondholders under the Finance Documents.

(h) Fees, costs and expenses payable to the Bond Trustee which are not reimbursed in any other way due to an Event of Default, the Issuer being Insolvent or similar circumstances pertaining to any Obligors, may be covered by making an equal reduction in the proceeds to the Bondholders hereunder of any costs and expenses incurred by the Bond Trustee or the Security Agent in connection therewith. The Bond Trustee may withhold funds from any escrow account (or similar arrangement) or from other funds received from the

Issuer or any other person, irrespective of such funds being subject to Transaction Security, and to set-off and cover any such costs and expenses from those funds.

(i) As a condition to effecting any instruction from the Bondholders (including, but not limited to, instructions set out in Clause 14.3 (*Bondholders' instructions*) or Clause 15.2 (*Procedure for arranging a Bondholders' Meeting*)), the Bond Trustee may require satisfactory Security, guarantees and/or indemnities for any possible liability and anticipated costs and expenses from those Bondholders who have given that instruction and/or who voted in favour of the decision to instruct the Bond Trustee.

**16.5 Replacement of the Bond Trustee**

(a) The Bond Trustee may be replaced by a majority of 2/3 of Voting Bonds in accordance with the procedures set out in Clause 15 (*Bondholders' Decisions*), and the Bondholders may resolve to replace the Bond Trustee without the Issuer's approval.

(b) The Bond Trustee may resign by giving notice to the Issuer and the Bondholders, in which case a successor Bond Trustee shall be elected pursuant to this Clause 16.5, initiated by the retiring Bond Trustee.

(c) If the Bond Trustee is Insolvent, or otherwise is permanently unable to fulfil its obligations under these Bond Terms, the Bond Trustee shall be deemed to have resigned and a successor Bond Trustee shall be appointed in accordance with this Clause 16.5. The Issuer may appoint a temporary Bond Trustee until a new Bond Trustee is elected in accordance with paragraph (a) above.

(d) The change of Bond Trustee shall only take effect upon execution of all necessary actions to effectively substitute the retiring Bond Trustee, and the retiring Bond Trustee undertakes to co-operate in all reasonable manners without delay to such effect. The retiring Bond Trustee shall be discharged from any further obligation in respect of the Finance Documents from the change takes effect, but shall remain liable under the Finance Documents in respect of any action which it took or failed to take whilst acting as Bond Trustee. The retiring Bond Trustee remains entitled to any benefits and any unpaid fees or expenses under the Finance Documents before the change has taken place.

(e) Upon change of Bond Trustee, the Issuer shall co-operate in all reasonable manners without delay to replace the retiring Bond Trustee with the successor Bond Trustee and release the retiring Bond Trustee from any future obligations under the Finance Documents and any other documents.

**16.6 Security Agent**

(a) The Bond Trustee is appointed to act as Security Agent for the Bonds, unless any other person is appointed. The main functions of the Security Agent may include holding Transaction Security on behalf of the Secured Parties and monitoring compliance by the Issuer and other relevant parties of their respective obligations under the Transaction Security Documents with respect to the Transaction Security on the basis of information made available to it pursuant to the Finance Documents.

(b) The Bond Trustee shall, when acting as Security Agent for the Bonds, at all times maintain and keep all certificates and other documents received by it, that are bearers of right relating to the Transaction Security in safe custody on behalf of the Bondholders. The Bond Trustee shall not be responsible for or required to insure against any loss incurred in connection with such safe custody.

(c) Before the appointment of a Security Agent other than the Bond Trustee, the Issuer shall be given the opportunity to state its views on the proposed Security Agent, but the final decision as to appointment shall lie exclusively with the Bond Trustee.

(d) The functions, rights and obligations of the Security Agent may be determined by a Security Agent Agreement to be entered into between the Bond Trustee and the Security Agent, which the Bond Trustee shall have the right to require each Obligor and any other party to a Finance Document to sign as a party, or, at the discretion of the Bond Trustee, to acknowledge. The Bond Trustee shall at all times retain the right to instruct the Security Agent in all matters, whether or not a separate Security Agent Agreement has been entered into.

(e) The provisions set out in Clause 16.4 (*Expenses, liability and indemnity*) shall apply *mutatis mutandis* to any expenses and liabilities of the Security Agent in connection with the Finance Documents.

## 17. AMENDMENTS AND WAIVERS

### 17.1 Procedure for amendments and waivers

(a) The Issuer and the Bond Trustee (acting on behalf of the Bondholders) may agree to amend the Finance Documents or waive a past default or anticipated failure to comply with any provision in a Finance Document, provided that:

(i) such amendment or waiver is not detrimental to the rights and benefits of the Bondholders in any material respect, or is made solely for the purpose of rectifying obvious errors and mistakes;

(ii) such amendment or waiver is required by applicable law, a court ruling or a decision by a relevant authority; or

(iii) such amendment or waiver has been duly approved by the Bondholders in accordance with Clause 15 (*Bondholders' Decisions*).

(b) Any changes to these Bond Terms necessary or appropriate in connection with the appointment of a Security Agent other than the Bond Trustee shall be documented in an amendment to these Bond Terms, signed by the Bond Trustee (in its discretion). If so desired by the Bond Trustee, any or all of the Transaction Security Documents shall be amended, assigned or re-issued, so that the Security Agent is the holder of the relevant Security (on behalf of the Bondholders). The costs incurred in connection with such amendment, assignment or re-issue shall be for the account of the Issuer.

**17.2 Authority with respect to documentation**

If the Bondholders have resolved the substance of an amendment to any Finance Document, without resolving on the specific or final form of such amendment, the Bond Trustee shall be considered authorised to draft, approve and/or finalise (as applicable) any required documentation or any outstanding matters in such documentation without any further approvals or involvement from the Bondholders being required.

**17.3 Notification of amendments or waivers**

(a) The Bond Trustee shall as soon as possible notify the Bondholders of any amendments or waivers made in accordance with this Clause 17, setting out the date from which the amendment or waiver will be effective, unless such notice according to the Bond Trustee's sole discretion is unnecessary. The Issuer shall ensure that any amendment to these Bond Terms is duly registered with the CSD.

(b) Prior to agreeing to an amendment or granting a waiver in accordance with paragraph (a)(i) of Clause 17.1 (*Procedure for amendments and waivers*), the Bond Trustee may inform the Bondholders of such waiver or amendment at a relevant information platform.

## 18. MISCELLANEOUS

**18.1 Limitation of claims**

All claims under the Finance Documents for payment, including interest and principal, will be subject to the legislation regarding time-bar provisions of the Relevant Jurisdiction.

**18.2 Access to information**

(a) These Bond Terms will be made available to the public and copies may be obtained from the Bond Trustee or the Issuer. The Bond Trustee will not have any obligation to distribute any other information to the Bondholders or any other person, and the Bondholders have no right to obtain information from the Bond Trustee, other than as explicitly stated in these Bond Terms or pursuant to statutory provisions of law.

(b) In order to carry out its functions and obligations under these Bond Terms, the Bond Trustee will have access to the relevant information regarding ownership of the Bonds, as recorded and regulated with the CSD.

(c) The information referred to in paragraph (b) above may only be used for the purposes of carrying out their duties and exercising their rights in accordance with the Finance Documents and shall not disclose such information to any Bondholder or third party unless necessary for such purposes.

**18.3 Notices, contact information**

(a) Written notices to the Bondholders made by the Bond Trustee will be sent to the Bondholders via the CSD with a copy to the Issuer and the Exchange (if the Bonds are listed). Any such notice or communication will be deemed to be given or made via the CSD, when sent from the CSD.

(b) The Issuer's written notifications to the Bondholders will be sent to the Bondholders via the Bond Trustee or through the CSD with a copy to the Bond Trustee and the Exchange (if the Bonds are listed).

(c) Notwithstanding paragraph (a) above and provided that such written notification does not require the Bondholders to take any action under the Finance Documents, the Issuer's written notifications to the Bondholders may be published by the Bond Trustee on a relevant information platform only.

(d) Unless otherwise specifically provided, all notices or other communications under or in connection with these Bond Terms between the Bond Trustee and the Issuer will be given or made in writing, by letter or e-mail. Any such notice or communication will be deemed to be given or made as follows:

(i) if by letter, when delivered at the address of the relevant party;

(ii) if by e-mail, when received; and

(iii) if by publication on a relevant information platform, when published.

(e) The Issuer and the Bond Trustee shall each ensure that the other party is kept informed of changes in postal address, e-mail address and telephone and contact persons.

(f) When determining deadlines set out in these Bond Terms, the following will apply (unless otherwise stated):

(i) if the deadline is set out in days, the first day of the relevant period will not be included and the last day of the relevant period will be included;

(ii) if the deadline is set out in weeks, months or years, the deadline will end on the day in the last week or the last month which, according to its name or number, corresponds to the first day the deadline is in force. If such day is not a part of an actual month, the deadline will be the last day of such month; and

(iii) if a deadline ends on a day which is not a Business Day, the deadline is postponed to the next Business Day.

**18.4 Defeasance**

(a) Subject to paragraph (b) below and provided that:

(i) an amount sufficient for the payment of principal and interest on the Outstanding Bonds to the relevant Repayment Date (including, to the extent applicable, any premium payable upon exercise of a Call Option), and always subject to paragraph (c) below (the "**Defeasance Amount**") is credited by the Issuer to an account in a financial institution acceptable to the Bond Trustee (the "**Defeasance Account**");

(ii) the Defeasance Account is irrevocably pledged and blocked in favour of the Bond Trustee on such terms as the Bond Trustee shall request (the "**Defeasance Pledge**"); and

(iii) the Bond Trustee has received such legal opinions and statements reasonably required by it, including (but not necessarily limited to) with respect to the validity and enforceability of the Defeasance Pledge,

then;

(A) the Issuer will be relieved from its obligations under paragraph (a) of Clause 12.2 (*Requirements as to Financial Reports*), Clause 12.3 (*Change of Control Event*), Clause 12.5 (*Information: miscellaneous*) and Clause 13 (*General and Financial Undertakings*);

(B) any Transaction Security shall be released and the Defeasance Pledge shall be considered replacement of the Transaction Security; and

(C) any Obligor shall be released from any Guarantee or other obligation applicable to it under any Finance Document.

(b) The Bond Trustee shall be authorised to apply any amount credited to the Defeasance Account towards any amount payable by the Issuer under any Finance Document on the due date for the relevant payment until all obligations of the Issuer and all amounts outstanding under the Finance Documents are repaid and discharged in full.

(c) The Bond Trustee may, if the Defeasance Amount cannot be finally and conclusively determined, decide the amount to be deposited to the Defeasance Account in its discretion, applying such buffer amount as it deems necessary.

(d) A defeasance established according to this Clause 18.4 may not be reversed.

## 19. GOVERNING LAW AND JURISDICTION

### 19.1 Governing law

These Bond Terms are governed by the laws of the Relevant Jurisdiction, without regard to its conflict of law provisions.

### 19.2 Main jurisdiction

The Bond Trustee and the Issuer agree for the benefit of the Bond Trustee and the Bondholders that the City Court of the capital of the Relevant Jurisdiction shall have jurisdiction with respect to any dispute arising out of or in connection with these Bond Terms. The Issuer agrees for the benefit of the Bond Trustee and the Bondholders that any legal action or proceedings arising out of or in connection with these Bond Terms against the Issuer or any of its assets may be brought in such court.

### 19.3 Alternative jurisdiction

Clause 19 (*Governing law and jurisdiction*) is for the exclusive benefit of the Bond Trustee and the Bondholders and the Bond Trustee have the right:

(a) to commence proceedings against the Issuer or any other Obligor or any of their respective assets in any court in any jurisdiction; and

(b) to commence such proceedings, including enforcement proceedings, in any competent jurisdiction concurrently.

**19.4 Service of process**

(a) Without prejudice to any other mode of service allowed under any relevant law, the Issuer:

(i) irrevocably appoints Nordic Trustee AS as its agent for service of process in relation to any proceedings in connection with these Bond Terms; and

(ii) agrees that failure by an agent for service of process to notify the Issuer of the process will not invalidate the proceedings concerned.

(b) If any person appointed as an agent for service of process is unable for any reason to act as agent for service of process, the Issuer must immediately (and in any event within 10 Business Days of such event taking place) appoint another agent on terms acceptable to the Bond Trustee. Failing this, the Bond Trustee may appoint another agent for this purpose.

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These Bond Terms have been executed by way of electronic signatures.

**SIGNATURES:**

| The Issuer: | As Bond Trustee and Security Agent: |
|---|---|
| **GQM SERVICES LTD** | **NORDIC TRUSTEE AS** |
| Signed by: Ian Hodder ......................................... 89907FF7323D4F1... | Signed by: Jørgen Andersen ......................................... 58A2C1FDB37C410... |
| By: Ian Hodder | By: Jørgen Andersen |
| Position: Director | Position: Authorised signatory (PP) |

**ATTACHMENT 1**
**COMPLIANCE CERTIFICATE**

[date]

**GQM Services Ltd 9.25% senior secured EUR 200,000,000 bonds 2025/2029 with ISIN NO0013511121**

We refer to the Bond Terms for the above captioned Bonds made between Nordic Trustee AS as Bond Trustee on behalf of the Bondholders and the undersigned as Issuer. Pursuant to Clause 12.2 (*Requirements as to Financial Reports*) of the Bond Terms, a Compliance Certificate shall be issued in connection with each delivery of Financial Reports to the Bond Trustee.

This letter constitutes the Compliance Certificate for the period [●].

Capitalised terms used herein will have the same meaning as in the Bond Terms.

With reference to Clause 12.2 (*Requirements as to Financial Reports*), we hereby certify that all information delivered under cover of this Compliance Certificate is true and accurate. Copies of our latest consolidated [Annual Financial Statements] / [Interim Accounts] are enclosed.

[The financial covenants set out in Clause 13.23 (*Financial covenants*) are met, please see the calculations and figures in respect of the covenants attached hereto.]

[With reference to Clause 13.19 (*Designation of Material Group Companies*) the following Group Companies are nominated as Material Group Companies: [●]]

We confirm that, to the best of our knowledge, no Event of Default has occurred or is likely to occur.

Yours faithfully,

**GQM Services Ltd**

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[Name of authorised person]

*Enclosure: Annual Financial Statements / Interim Accounts; [and any other written documentation]*

**ATTACHMENT 2**
**RELEASE NOTICE – ESCROW ACCOUNT**

[date]

Dear Sirs,

**GQM Services Ltd 9.25% senior secured EUR 200,000,000 bonds 2025/2029 with ISIN NO0013511121**

We refer to the Bond Terms for the above captioned Bonds made between Nordic Trustee AS as Bond Trustee on behalf of the Bondholders and the undersigned as Issuer.

Capitalised terms used herein will have the same meaning as in the Bond Terms.

We hereby give you notice that we on [date] wish to draw all amounts from the Escrow Account to be applied pursuant to the purpose set out in the Bond Terms, in accordance with Enclosure I (*Flow of Funds*), and request you to instruct the bank to release the above mentioned amount.

We hereby represent and warrant that (a) no Event of Default has occurred and is continuing or is likely to occur as a result of the release from the Escrow Account, and (b) we confirm that the representations and warranties set out in the Bond Terms are true and accurate in all material respects at the date hereof.

Yours faithfully,

**GQM Services Ltd**

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[Name of authorised person]

*Enclosure I: Flow of Funds*

# ATTACHMENT 3
# AGREED SECURITY PRINCIPLES

Any Transaction Security, Transaction Security Document and Guarantee shall be subject to the principles set out below. Capitalised terms used below shall, unless the context otherwise requires, have the same meaning as given to them in the Intercreditor Principles or, if not defined therein, in the Bond Terms.

(a) Transaction Security shall be created over:

(i) the Escrow Account;

(ii) all of the shares in the Issuer;

(iii) all of the shares owned by a Group Company in each Guarantor (other than the Parent);

(iv) any Intercompany Loans;

(v) each Collateral Vessel including all relevant equipment owned by each Vessel Owner and being part of each Collateral Vessel under applicable law (including any customary declaration of pledge or deed of covenants supplemental to such mortgage and to the Security created under it in favour of the Security Agent), subject to any applicable Quiet Enjoyment Letter;

(vi) each Geotechnical Rig (including any customary declaration of pledge or deed of covenants supplemental to such mortgage and to the Security created under it in favour of the Security Agent), subject to any applicable Quiet Enjoyment Letter;

(vii) all Insurances (including subordination undertakings or assignments from any co-assured parties that are Group Companies or Affiliates thereof under such Insurances) related to each Collateral Vessel and each Geotechnical Rig (to the extent payable to the Group);

(viii) the monetary claims under each bareboat charter or sub-charter contract between a Vessel Owner and the relevant Charter Company in respect of the relevant Collateral Vessel;

(ix) all Earnings payable to any Group Company (to the extent not comprised by paragraphs (vii) and (viii) above) in respect of each Collateral Vessel and, with respect to any charter contract between a Charter Company and a third party charterer, provided the relevant charter contract has a firm duration of no less than 12 months and subject to any applicable consent requirements in the relevant charter contract (including, if applicable, a Quiet Enjoyment Letter);

(x) such assets of each Obligor as are covered by a first priority floating charge, debenture or similar all-asset security (as customary and legally permissible in such Obligor's jurisdiction of incorporation); and

(xi) each Earnings Account;

(b) where legally permissible, Transaction Security Documents shall automatically create Transaction Security over future assets of the same type as those already being subject to such Transaction Security, and if such Transaction Security may not be automatically created, Transaction Security over such future assets shall be created promptly upon the acquisition thereof;

(c) any Transaction Security and any Guarantee shall secure or guarantee (as applicable) all present and future liabilities and obligations at any time due, owing or incurred by any member of the Group and by each Debtor to any Secured Party under the Debt Documents, both actual and contingent and whether incurred solely or jointly and as principal or surety or in any other capacity;

(d) where legally permissible, any Transaction Security and any Guarantee shall be created in favour of the Security Agent and not the other Secured Parties individually, and parallel debt provisions shall be used where legally necessary;

(e) to the extent legally permissible, any Transaction Security or any Guarantee will be an upstream, downstream and cross stream Security or Guarantee;

(f) to the extent legally permissible, Transaction Security will be first ranking unless any prior ranking Security is specifically permitted by all the relevant Debt Documents;

(g) general statutory limitations (including, but not limited to, such relating to financial assistance, corporate benefit, fraudulent preference, "thin capitalisation" rules, capital maintenance, retention of title claims and similar principles) may limit the ability of a Debtor to provide any Transaction Security or Guarantee or require that such Transaction Security or Guarantee is limited by an amount or otherwise;

(h) the Transaction Security and the extent of its scope and perfection shall take into account the costs and expenses (including, without limitation, any stamp duty, Taxes, registration fees or similar) of providing such Transaction Security which must be proportionate to the benefit accruing to the Secured Parties with respect to such Transaction Security;

(i) the Debtors will not be required to provide Transaction Security or any Guarantee if it would conflict with the fiduciary duties of their directors or officers or contravene any legal prohibition or result in a material risk of personal or criminal liability on the part of any director or officer, provided that the relevant Debtor shall use reasonable endeavours to overcome any such obstacle;

(j) any asset subject to pre-existing third party arrangements which are permitted by all the relevant Debt Documents or any other third party contractual restrictions on assignments and which prevent such asset from becoming subject to Transaction Security, will be excluded from any relevant Transaction Security Document, but the relevant Debtor shall use reasonable endeavours to obtain any required consent to the creation of Transaction Security over such asset if the asset may be considered material in the context of its business or operations;

(k) Transaction Security Documents shall operate to create Transaction Security rather than to impose any new commercial obligations and shall, accordingly, not contain additional or duplicate representations or undertakings to those contained in the relevant Debt Documents unless required for the creation, perfection, preservation or enforcement of the Transaction Security and shall not be unduly burdensome on the relevant Debtor or interfere unreasonably with the operation of its business or operations;

(l) no Guarantee or Transaction Security will be required from or over the assets of any joint venture or similar arrangement or any company in which a Debtor holds a minority interest (save where such joint venture or arrangement has been established due to local content requirements or similar, where the counterparty in such joint venture or arrangement is a service provider and the Debtor retains Decisive Influence);

(m) any action required to perfect any Transaction Security will only be required in the jurisdiction of incorporation or principal places of business of any Debtor or in a jurisdiction where any Debtor has a physical presence;

(n) perfection of Transaction Security will not be required if it would materially adversely affect the ability of the relevant Debtor to conduct its operations or business in the ordinary course;

(o) Transaction Security will not be enforceable until the occurrence of an acceleration event (i.e. when any relevant creditor or creditor representative exercises any of its rights under any acceleration provisions, or any acceleration provisions being automatically invoked, in each case under any relevant Debt Document);

(p) if any Transaction Security may be enforced in various manners under the laws by which such Transaction Security is governed, then the Transaction Security Document in question shall, to the extent legally permissible, include and permit the various manners of such enforcement, including the manner which may reasonably considered to be the most efficient in terms of time, process, method and costs from the perspective of the Secured Parties, and (subject to the terms of the Intercreditor Agreement) leave it to the Security Agent to decide the manner of enforcement at any given time;

(q) Transaction Security over any Intercompany Loan shall permit the relevant Group Company to make any repayment or prepayment of the principal amount of such Intercompany Loan and any payment of interest accrued on such Intercompany Loan to the relevant Debtor to the extent and in the manner set out in the Intercreditor Agreement;

(r) Transaction Security over bank accounts shall, unless otherwise stated herein, permit the relevant Debtor to freely manage, operate and make withdrawals from the relevant bank account until the occurrence of an acceleration event (as such term is described above);

(s) Transaction Security over bank accounts shall not be required with respect to any tax deduction accounts, sub-accounts forming part of a cash pool system or, to the extent such arrangements are permitted by all the relevant Debt Documents, escrow accounts, deposit accounts or cash collateral/cover accounts (unless such cash collateral/cash cover accounts shall be subject to Transaction Security pursuant to the terms of the Intercreditor Agreement);

(t) no notice of Transaction Security over trade receivables may be given to third party debtors until an Event of Default has occurred and is continuing, regardless if such notice is required for perfection of such Transaction Security;

(u) Transaction Security shall only be provided and registered with respect to material intellectual property rights, and the relevant Debtor shall be free to deal with such intellectual property rights in the normal course of its business (including, for the avoidance of doubt, allowing intellectual property rights to lapse if no longer material either in terms of value or to its business); and

(v) the Security Agent shall only be able to exercise any powers of attorney (including, but not limited to, in respect of voting rights appertaining to any shares) granted under any Transaction Security Document or have the right to receive any dividends or other sums payable in respect of any shares if an Event of Default has occurred and is continuing.

# ATTACHMENT 4
# INTERCREDITOR PRINCIPLES

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| **Parties:** | The Intercreditor Agreement will be entered into between, among others, (a) the Parent, the Issuer and the other debtors (collectively, the "**Debtors**"), (b) certain intra-group lenders (the "**Intra-Group Lenders**"), (c) the agent (the "**Credit Facility Agent**"), the arranger(s) (the "**Credit Facility Arranger**") and the lenders (the "**Credit Facility Lenders**") under any Credit Facility, (d) any subordinated creditors (collectively, the "**Subordinated Creditors**"), (e) the Bond Trustee and (f) the Security Agent. |
| **Ranking and priority:** | The Credit Facility Liabilities and the Pari Passu Debt Liabilities owed by the Debtors to the Primary Creditors shall (subject to the terms of the Intercreditor Agreement) rank in right and priority of payment *pari passu* and without any preference between them.<br><br>Any Guarantee and the Transaction Security shall rank and secure the Credit Facility Liabilities and the Pari Passu Debt Liabilities (subject to the terms of the Intercreditor Agreement) *pari passu* and without any preference between them.<br><br>The Subordinated Liabilities and the Intra-Group Liabilities are postponed and subordinated to the liabilities owed by the Debtors to the Primary Creditors. |
| **Option to purchase:** | The Bond Trustee (on behalf of Bondholders) may after a Distress Event and subject to certain customary conditions being fulfilled, by giving not less than 10 days' notice to the Security Agent, require the transfer to them of all, but not part, of the rights, benefits and obligations in respect of the Credit Facility Liabilities. |
| **Permitted payments in respect of Intra-Group Liabilities and Subordinated Liabilities:** | The Debtors may make payments in respect of Intra-Group Liabilities from time to time when due until an acceleration event has occurred under the relevant Debt Documents, provided that such payments may in any event be made if (a) the Majority Super Senior Creditors and the Required Pari Passu Creditors consent to that payment being made or (b) that payment is made to facilitate payment of Credit Facility Liabilities or Pari Passu Debt Liabilities in accordance with the terms of the Intercreditor Agreement.<br><br>Prior to the final discharge date of the Primary Creditors, neither the Issuer nor any other Debtor shall, and the Issuer shall procure that no other member of the Group will, make any payment of the Subordinated Liabilities at any time, unless (a) that payment is not prohibited under the Credit Facility and the Bond Terms, (b) the Majority Super Senior Creditors and the Required Pari Passu Creditors consent to that payment being made or (c) (subject to any |

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| | applicable restrictions, conditions or provisions in any of the other Debt Documents) by way of conversion of Subordinated Liabilities into share capital in the Issuer. |
| **Effect of insolvency event:** | After the occurrence of an insolvency event in relation to any member of the Group, any party entitled to receive a distribution out of the assets of that member of the Group (in the case of a Primary Creditor, only to the extent that such amount constitutes enforcement proceeds) in respect of liabilities owed to that party shall, to the extent it is able to do so, direct the person responsible for the distribution of the assets of that member of the Group to make that distribution to the Security Agent (or to such other person as the Security Agent shall direct) until the liabilities owing to the Secured Parties have been paid in full.<br><br>The Security Agent shall apply such distributions made to it in accordance with the section "Application of proceeds" below. |
| **Turnover of receipts:** | If at any time prior to the final discharge date of the Primary Creditors, any Creditor receives or recovers any payment other than as permitted by the Intercreditor Agreement, that Creditor will promptly pay or distribute an amount equal to that receipt or recovery to the Security Agent for application in accordance with the terms of the Intercreditor Agreement. |
| **Enforcement of Transaction Security:** | If either the Majority Super Senior Creditors or the Majority Pari Passu Creditors wish to issue instructions as to enforcement of any Transaction Security ("**Enforcement Instructions**"), the creditor representatives representing the relevant Primary Creditors shall deliver a copy of those proposed Enforcement Instructions (an "**Initial Enforcement Notice**") to the Security Agent and the Security Agent shall promptly forward such Initial Enforcement Notice to each creditor representative that did not deliver such Initial Enforcement Notice.<br><br>Subject to the exceptions set out below, the Security Agent will act in accordance with Enforcement Instructions received from the Majority Pari Passu Creditors.<br><br>If (a) the Majority Pari Passu Creditors have not either (i) made a determination as to the method of enforcement they wish to instruct the Security Agent to pursue (and notified the Security Agent of that determination in writing) or (ii) appointed a financial adviser to assist them in making such a determination, within three months of the date of the Initial Enforcement Notice or (b) the discharge date of the Super Senior Creditors has not occurred within six months of the date of the Initial Enforcement Notice, then the Security Agent will act in accordance with Enforcement Instructions received from the |

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| | Majority Super Senior Creditors until that discharge date has occurred.<br><br>If an insolvency event is continuing with respect to a Debtor, then the Security Agent will, to the extent the Majority Super Senior Creditors elect to provide such Enforcement Instructions, act in accordance with Enforcement Instructions received from the Majority Super Senior Creditors until the discharge date of the Super Senior Creditors has occurred.<br><br>If the Majority Pari Passu Creditors have not either (a) made a determination as to the method of enforcement they wish to instruct the Security Agent to pursue (and notified the Security Agent of that determination in writing) or (b) appointed a financial adviser to assist them in making such a determination, and the Majority Super Senior Creditors (i) determine in good faith (and notify the other creditor representatives and the Security Agent) that a delay in issuing Enforcement Instructions could reasonably be expected to have a material adverse effect on the ability to effect a distressed disposal or on the expected realization proceeds of any enforcement and (ii) deliver Enforcement Instructions which they reasonably believe to be consistent with the section "Enforcement principles" below before the Security Agent has received any Enforcement Instructions from the Majority Pari Passu Creditors, then the Security Agent will act in accordance with the Enforcement Instructions received from the Majority Super Senior Creditors until the discharge date of the Super Senior Creditors has occurred. |
| **Manner of enforcement:** | If the Transaction Security is being enforced, the Security Agent shall enforce the Transaction Security in such manner as the Instructing Group shall instruct (provided that such instructions are consistent with the section "Enforcement principles" below) or, in the absence of any such instructions, as the Security Agent considers in its discretion to be appropriate and consistent with those principles.<br><br>The other Secured Parties shall not have any independent power to enforce, or have recourse to, any of the Transaction Security or to exercise any right, power, authority or discretion arising under the documents evidencing the terms of the Transaction Security except through the Security Agent. |
| **Non-distressed disposals:** | If a disposal of an asset is a non-distressed disposal, the Security Agent shall be irrevocably authorised to, among others, release the Transaction Security or any claim over the relevant asset or the relevant member of the Group's other property. |

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| | If any disposal proceeds are required to be applied in mandatory prepayment of the Credit Facility Liabilities or the Pari Passu Debt Liabilities, then those disposal proceeds shall be applied in accordance with the Debt Documents and the consent of any other party shall not be required for that application. |
| **Distressed disposals:** | If a disposal of an asset is a distressed disposal, the Security Agent shall be irrevocably authorised:<br><br>(a) to release the Transaction Security and any other claim over the relevant asset; and<br><br>(b) if the relevant asset consists of shares or ownership interests in a Debtor or a holding company of a Debtor (each, a "**Disposed Entity**"), (i) to release any Transaction Security granted by the Disposed Entity, or any subsidiary of the Disposed Entity, over any of its assets, (ii) to release the Disposed Entity, or any subsidiary of the Disposed Entity, from all or any part of its liabilities, (iii) to release any other claim of any Creditor or Debtor over that Disposed Entity's assets or over the assets of any subsidiary of that Disposed Entity, (iv) to release the Disposed Entity, any subsidiary of the Disposed Entity and any other member of the Group from all or any part of its liabilities arising out of or in connection with that distressed disposal, or dispose of all or any part of those liabilities, (v) to dispose of all or any part of the liabilities owing by the Disposed Entity, or any subsidiary of the Disposed Entity, (vi) to dispose of all or any part of the liabilities owing to the Disposed Entity, or any subsidiary of the Disposed Entity and/or (vii) to transfer to another Debtor all or any part of the obligations of the Disposed Entity, or any Subsidiary of the Disposed Entity, in respect of any Intra-Group Liabilities,<br><br>in each case, (A) that may, in the discretion of the Security Agent, be considered necessary or desirable and (B) on behalf of the relevant Creditors, Secured Parties and Debtors, and the Security Agent shall be irrevocably authorised to enter into, execute, file and deliver any document or instrument needed to effect any such release, disposal or transfer. For the avoidance of doubt, any transferee in respect of any such disposal or transfer referred to above will not be treated as a Primary Creditor or a Secured Party for the purposes of the Intercreditor Agreement (unless the contrary is explicitly confirmed in writing to such transferee by the Security Agent). |

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| | The net proceeds of each distressed disposal (and each debt disposal) shall be paid, or distributed, to the Security Agent for application in accordance with the section "Application of proceeds" below.<br><br>For the purposes of distressed disposals, the Security Agent (a) shall act on the instructions of the Instructing Group, or in the absence of any such instructions, as the Security Agent sees fit and (b) may engage, or approve the engagement of, pay for and rely on the services of a financial adviser in accordance with the section "Enforcement principles" below. |
| **Application of proceeds:** | All amounts from time to time received or recovered by the Security Agent (a) pursuant to the terms of any Debt Document, (b) in connection with the realisation or enforcement of all or any part of the Transaction Security or (c) in connection with the making of any demand under any Guarantee shall be applied by the Security Agent in the following order of priority:<br><br>(i) in discharging any sums owing to the Security Agent, any receiver, any delegate or any other creditor representative (for its own account);<br><br>(ii) in payment or distribution to the Credit Facility Agent on its own behalf and on behalf of the Credit Facility Creditors for application towards the discharge of the Credit Facility Liabilities up to an aggregate maximum amount equal to the Credit Facility Liabilities Maximum Amount;<br><br>(iii) in payment or distribution to the creditor representative in respect of any Pari Passu Debt Liabilities on its own behalf and on behalf of the Pari Passu Creditors for which it is the creditor representative for application towards the Pari Passu Debt Liabilities;<br><br>(iv) if none of the Debtors is under any further actual or contingent liability under any document evidencing the terms of any Credit Facility Liabilities or Pari Passu Debt Liabilities, in payment or distribution to any person to whom the Security Agent is obliged to pay or distribute in priority to any Debtor; and<br><br>(v) the balance, if any, in payment or distribution to the relevant Debtor,<br><br>subject to certain customary exceptions in respect of prospective liabilities and treatment of cash cover in respect of any Credit Facility. |

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| **Enforcement principles:** | The main enforcement principles are as follows:<br><br>(a) it shall be the primary and over-riding aim of any enforcement of any Transaction Security to maximise, to the extent consistent with a prompt and expeditious realisation of value, the value realised from any such enforcement;<br><br>(b) the Security Agent shall be under no obligation to appoint a financial adviser or to seek the advice of a financial adviser unless expressly required to do so by the Intercreditor Agreement; and<br><br>(c) any fairness opinion from a financial adviser will be conclusive evidence that the enforcement objective set out above has been met. |
| **Bond Trustee protection:** | Customary Bond Trustee protection provisions will be included in the Intercreditor Agreement. |
| **Governing law and jurisdiction:** | The Intercreditor Agreement shall be governed by Norwegian law and be subject to the jurisdiction of the Oslo District Court (No. *Oslo tingrett*). |
| **Definitions:** | "**Credit Facility**" means any super senior credit facilities in the form of (a) any revolving credit working capital or overdraft facilities, or (b) any guarantee, performance bond or documentary or stand-by letter of credit facilities, in each case made available to the Issuer or any other Debtor in accordance with the Bond Terms.<br><br>"**Credit Facility Creditors**" means any Credit Facility Agent, any Credit Facility Arranger and each Credit Facility Lender.<br><br>"**Credit Facility Liabilities**" means the liabilities owed by any Debtor to any Credit Facility Creditors under or in connection with the relevant Debt Documents.<br><br>"**Credit Facility Liabilities Maximum Amount**" means the aggregate principle amount of the higher of (a) USD 20,000,000 (or its equivalent in other currencies) and (b) 0.5x EBITDA (based on the most recently delivered Compliance Certificate under the Bond Terms at the time of incurrence), plus any accrued but unpaid interest, fees, costs and expenses under the Debt Documents evidencing the terms of the Credit Facility Liabilities.<br><br>"**Creditors**" means the Primary Creditors, the Intra-Group Lenders and the Subordinated Creditors.<br><br>"**Debt Document**" means the Intercreditor Agreement, any documents evidencing the terms of any Credit Facility Liabilities, |

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| | any Pari Passu Debt Liabilities, any Intra-Group Liabilities, any Subordinated Liabilities, any Guarantee or any Transaction Security and any other document designated as such by the Security Agent and the Issuer.<br><br>"**Distress Event**" means (a) any exercise of any rights under any acceleration provisions, or any acceleration provisions being automatically invoked, in each case under any Debt Document evidencing the terms of any Credit Facility Liabilities or any Pari Passu Debt Liabilities, (b) the enforcement of any Transaction Security or (c) (unless the context otherwise requires) the making of any demand under any Guarantee.<br><br>"**Guarantee**" means any guarantee, indemnity or other assurance against loss granted by any Debtor in respect of the obligations of any of the Debtors under any of the Debt Documents.<br><br>"**Instructing Group**" means:<br><br>(a) subject to paragraph (b) below, the Majority Super Senior Creditors and the Majority Pari Passu Creditors; and<br><br>(b) in relation to instructions as to the enforcement of any Transaction Security, the group of Primary Creditors entitled to give instructions as to such enforcement under the section "Enforcement of Transaction Security" above.<br><br>"**Intra-Group Liabilities**" means the liabilities owed by any member of the Group to any of the Intra-Group Lenders.<br><br>"**Majority Pari Passu Creditors**" means, at any time, those Pari Passu Creditors whose pari passu credit participations at that time aggregate more than 50.00 per cent. of the total *pari passu* credit participations at that time (and where the Bond Trustee shall act (and be considered to act) on behalf of all the Bondholders represented by it regardless of whether all or only the required majority of those Bondholders voted in favour or against the decision to be made by the Majority Pari Passu Creditors under the Intercreditor Agreement at any relevant preceding meeting(s) of those Bondholders).<br><br>"**Majority Super Senior Creditors**" means, at any time, those Super Senior Creditors whose super senior credit participations at that time aggregate more than 50.00 per cent. of the total super senior credit participations at that time.<br><br>"**Pari Passu Creditors**" means the Bondholders and the Bond Trustee. |

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| | "**Pari Passu Debt Liabilities**" means the liabilities owed by the Debtors to the Pari Passu Creditors under or in connection with the relevant Debt Documents.<br><br>"**Primary Creditors**" means the Super Senior Creditors and the Pari Passu Creditors.<br><br>"**Required Pari Passu Creditors**" means the Bond Trustee acting on behalf of the Bondholders which are owed any Pari Passu Debt Liabilities.<br><br>"**Secured Obligations**" means all present and future liabilities and obligations at any time due, owing or incurred by any Group Company and by each Debtor to any Secured Party under the Debt Documents, both actual and contingent and whether incurred solely or jointly and as principal or surety or in any other capacity.<br><br>"**Secured Parties**" means the Security Agent, any receiver or delegate and each of the Primary Creditors from time to time but, in the case of each Primary Creditor, only if it (or, in the case of a Bondholder, the Bond Trustee) is a party or has acceded to the Intercreditor Agreement in the proper capacity pursuant to the terms thereof.<br><br>"**Subordinated Liabilities**" means the liabilities owed to the Subordinated Creditors by the Issuer.<br><br>"**Super Senior Creditors**" means the Credit Facility Creditors.<br><br>"**Transaction Security**" means the security granted by any Debtor in respect of the obligations of any of the Debtors under any of the Debt Documents (other than any Escrow Account Pledge). |